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To Little Bridge

TATAR SATION

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PARIS, FRIDAY, AUGUST 6, 1993



A Bosnian Serb struggling to rush a compatriot to help after he stepped on a mine.

### U.S. Seeks to Broaden List of Serbian Targets

**Allies Prodded to Ensure Credibility** Of NATO Ultimatum on Sarajevo Siege

By Douglas Jehl New York Times Service

WASHINGTON - The United States is ssing its allies to allow the North Atlantic reaty Organization to broaden its threat-ened air strikes against Serbian forces to include roads, bridges, supply depots and military command posts, senior American officials said Thursday.

The senior officials also warned that

NATO's credibility would be at stake as it decided whether and how to implement the threat, which calls for military retaliation unless Serbian forces have loosened their siege of Sarajevo, the Bosnian capital. The 16 members meet Monday to decide.

As they expressed concern that Serbian commanders might fail to take the warning seriously, the American officials also appeared determined to avert any last-minute misgivings that could render the NATO threat hollow. Even if the North Atlantie Council, NATO's governing body, agrees to authorize air strikes, one senior official said, it remains unclear whether some allies will favor "a pinprick or something more mas-

"There is a very senious problem of West-ern credibility," the official said of past threats and inaction. Although Serbian lead-ers announced Thursday that they would withdraw from mountaintop positions, the official warned that Serbian commanders might not go along with such a plan. "They think they can thumb their noses at us," she

The senior official maintained that NATO's members would understand that there was no option but to make good, at least in some form, on their threat of air strikes against Bosnian Serbian forces if their review next week concluded that the Serbs had not eased their siege on the Bosman capital. "All of us know that the alliance is really on the line here," the official said, insisting:

I know we mean what we say. Reginald Bartholomew, the U.S. special

envoy for the former Yugoslavia, explained to President Slobodan Milosevic of Serbia and the leader of the Bosnian Serbs, Radovan Karadzic, on Wednesday the serious of NA-

TO's threat of air strikes.

American officials nevertheless emphasized that they had no intention of seeking to use such strikes to roll back any gains made

Bosnian Serbs offer to open two roads to Sarajevo and to quit strategic peaks. Page 4.

by the Serbian forces this week as the United States and its allies wait at least until Monday to decide upon a military response.

And they stressed in interviews that the air strikes being threatened by NATO would be interested and in the strikes being threatened by NATO would be interested and in the strikes being threatened by NATO would be strikes being threatened by NATO would be intended only to preserve enough territory for the Bosnian Muslims to allow them to reach an acceptable peace settlement at negotiations being brokered in Geneva.

If Bosnia's president, Alija Izetbegovic, seeks to take advantage of the Western threat by tougheaving his terms at the bargaining

by toughening his terms at the bargaining table, a senior administration official warned, it is "much less likely that NATO would use air support to help him out."

The cavalry is not coming to take his country back for him," the official said in a 75-minute meeting with a group of reporters that provided the most extensive description to date of the administration's latest plan to help bring an acceptable end to the fighting

As Admiral Jeremy M. Boorda of the United States and Lientenant General Jean Cot of France met in the Croatian capital of Zagreb to draft military plans, U.S. officials said the two had taken steps to ensure that any attack would be coordinated between NATO and United Nations commanders, a demand pressed by Britain and Canada.

But the officials made plain that the United States was urging in return that the battle plans not be limited to air strikes on Serbian gun positions but permit attacks on what may be more vulnerable targets.

It was a strangely disjointed episode in the thoroughly perplexing story of Mr. Clinton's quest for a program he and many others have

cided lawmakers, have been deeply puzzled by the president's seeming reluctance to get tough

See CLINTON, Page 2

### **New Japan Coalition** Gets Off to Rocky Start

### On Recovery Now Expected Taking Power

By Steven Brull

TOKYO — The political gridlock that delayed the installation of Japan's new government Thursday was the first concrete sign that official decision making will be slow and contentious, delaying action on economic recovery and forcing corporations to restructure on their

In the past, political clout has been the key to cutting through bureaucratic inertia to stimu-late the economy. Liberal Democratic Party strongmen, in fact, pushed the Finance Ministry to approve \$200 hillion in pump priming over the past two years, albeit with limited

But now, as a coalition government confronts formidable internal differences and feisty opposition from the Liberal Democrats, who remain the largest and most politically savvy party, chances of swift and significant action to prime the economy or improve market access appear dim.

"We can't count on the next government to do anything," said Kazuo Nukazawa, manag-ing director of Keidanren, Japan's powerful business lobby.

Corporations, though, which some economists say are keeping more than I million workers on the payrolls despite little for them to do, have been counting on a recovery that has yet to come. Growth in the current fiscal year through next March could be as low as I percent, and recovery could be delayed until well into next year.

Companies, meanwhile, are being squeezed by the surge in the value of the Japanese yen and face a likely fourth consecutive year of declining profits. They may not be able to wait much longer before the current strategy of reduced intake of new employees and discreet dismissals of workers becomes untenable.

"Companies can't hold redundancies much longer," Mr. Nukazawa said. "Once one big company starts, the others will have no choice

Unemployment was an official 2.5 percent in June. But private-sector economists say the real rate could easily be twice as high.

rate could easily be twice as high.

If the government fails to belp stimulate a recovery, Japan's political problems will grow worse. There is hitle chance that Tokyo's lowering trade surplus will subside; the main cause of the imbalance, which sould ground \$150 hillion. the imbalance, which could exceed \$150 billion this year, has been shiggish imports due to lower personal consumption.

Continuation of the gaping imbalance would also maintain one of the key fundamental factors supporting the yen. A higher yen, bowever, will only encourage Japanese companies to step up exports and expand overseas production, especially in Asia. This couldn't have come at a worse time,"

See INERTIA, Page 15

### Slower Action Defeated Party **Blocks It From**

By James Sterngold

New York Times Service
TOKYO — The Liberal Democratic Party may have lost its 38-year-old grip on power, hut it proved Thursday that it is still a formidable force by using its first day in the opposition to prevent the election of a new prime minister and to dellate the hopes for a coalition govern-

What was supposed to have been a day of triumph for Morihiro Hosokawa, the head of the seven-party coalition that was set to take power, became instead a humiliating series of delays and disputes that left him looking wounded just as he was expected to be elected prime minister. It was a startling reversal that caught most in Tokyo by surprise and appeared to have taken a toll on the credibility of the group of parties seeking to replace the Liberal

About the only thing that was clear after the parties agreed to give up Thursday evening before resuming Friday was the Liberal Democrats' strategy: to be unrelentingly pugnacious in an effort to break the back of the loose coalition of conservatives and socialists and make it look inept.

Political experts had to look back to 1947 to find a previous occasion when a new prime minister and cabinet had not been chosen on the first day that the parliament had been

convened following an election.

"I think a lot of people looked at this as a sign of difficulties ahead," said Takashi Inoguchi, a political expert at Tokyo University. "The co-

Mr. Hosokawa looked confident and relaxed Thursday morning when, as expected, Prime Minister Kiichi Miyazawa's cahinet resigned. But suddenly the smooth transition of power grew bumpy when the Liberal Democrats refused to concede on their demand that, because they are the largest single party in the parlia-ment, a Liberal Democrat should be made speaker of the house.

In addition, the Liberal Democrats demanded that the special session of the parliament be extended to three weeks and that Mr. Hosokawa clearly lay out his policies in a speech

and then respond to questions.

The coalition, however, had decided to make Takako Doi, a leading member of the Social Democratic Party, the first woman speaker of the house, a largely ceremonial but highly visi-ble post. It had also said it wanted just a brief parliamentary session to name a cabinet before resuming the normal schedule in the fall.

The maneuverings Thursday followed a critical election July 18 that left the Liberal Democrats shy of a majority and put several parties made up of Liberal Democratie defectors at the core of the coalition, which has promised to reform the corruption-ridden electoral and

election financing systems.

Legally, the coalition could have simply used its slim majority of about 260 seats in the 511seat parliament to open the session and elect its atter of practice the Liberal Democrats would probably have chosen to walk out. That would have embarrassed the coalition and perhaps would have caused some members to bolt, for fear of appearing to rely

on strongarm tactics.

As a result, the stalemate caused the parties to begin a series of postponements of the sched-See JAPAN, Page 4

### Benelux Moving **To Money Union** With Germany

BRUSSELS - Belgium and Luxembourg are seeking to join the effective currency unioo between Germany and the Netherlands that grew out of the changes in the European Monetary System this week, a source in Luxembourg

said Thursday. "Belgium and Luxembourg have the common desire to look for a solution similar to Holland," said the source, who asked not to be

After speculators pushed the French franc below its minimum value in the exchange-rate mechanism of the EMS last week, European Community finance officials widened the fluctuation bands for seven of the nine currencies in the grid to 15 percent. But Germany and the Netherlands agreed to keep the mark and the guilder within 2.25 percent of each other, the narrow band prevalent in the precrisis grid. Details of the deal have not been disclosed,

but it is widely assumed that there would be complete mutual support between Germany and the Netherlands for their currencies, in cluding intervention in the markets to defend the 2.25 percent band. Intervention failed to keep the grid together last week, however, and the Bank of France spent nearly all of its foreign-currency reserves to prop up its franc. (Page 11)
The mark and the guilder were the only EMS

currencies that emerged unscathed from nearly a year of turmoil in the ERM. All of the others were at least pressured by speculators if not forced to be devalued or flee the grid.

Since Monday. Betgium has managed to force its hruised currency back into the 2.35 percent hand against the mark. Belgium and Luxembourg already have an effective currency union. Their inclusion in the German-Dutch arrangement would be in line with persistent speculation that the European Community would be forced to move toward its goal of economic and monetary union in two phases, with a core group of countries establishing a monetary union that others would join tater. It has been assumed that this core group

See MONEY, Page 13

### Clinton's Battle of the Budget: A Genteel Showdown

By R. W. Apple As Mr. Clinton, seemed likely to be beaten when his builded proposals come before the Senate on Friday.

WASHINGTON — Starting defeat in the face, Richard III melodramatically offered to DeConcini, including a less onerous tax on trade his kingdom for a horse.

In an equally tight spot this week, President Bill Clinton has talked himself to the brink of laryngitis, but his wheeling and dealing on the budget have been strikingly subdued.

Without the vote of Senator Dennis DeConcini of Arizona, a conservative Democrat who imally agreed inte Wednesday to support him.

**NEWS ANALYSIS** high-income recipients of Social Security, designed to appeal to the many wealthy retirees in Phoenix and Tucson, and an executive order

But when Senator DeConcini went to the White House on Wednesday morning to watch the signing of the order, did the president bear down in house he could could the deal and down in hopes he could seal the deal and parade the senator before the television cam-

He did not. Asked whether he remained undecided, Mr. DeConcini said that, indeed, he What, someone wanted to know, was Mr.

Clinton going to do to move him? The president seemed nonplussed and finally answered, "Good government."

Aides said later that he had not been sure what the Arizonan planned to do until just before Mr. DeConcini spoke out.

long thought he occided to survive. Many in Washington, including some unde-

with the Democrats who made the passage of

### U.S. Seeks to Mediate Ex-Soviet Conflicts

By R. Jeffrey Smith

Washington Part Service
WASHINGTON — The Clinton administration has decided to intercede diplomatically in regional and ethnic disputes involving some of the 15 newly independent states of the former Soviet Union, according to senior officials.

The U.S. plan is to help broker an end to the disputes before they destabilize the Russian regime of President Boris N. Yeltsin, forment wider ethnic or religious conflict in Turkey and southern Asia, or provide a protect for aggressive military intervention by Russia outside its borders, the officials said.

The imissive comes as armed conflicts are taging in three former Soviet republies - Georgia, Tajikistan and Azerbaijan — while ethnic or separatist tensions are simmering in the

not new spending.

pledging new tax revenues to deficit reduction,

tains, last weekend assassinated the senior Russian official there.
In some of these conflicts, Russian military

forces deployed nearby have taken sides or U.S. favors expansion of UN peacekeeping role, but wifth some misgivings. Page 4.

been "stirring up trouble," a senior U.S. official said. He added that the U.S. intelligence community believes the troops' aim is either to prolong their deployment, protect some of the 25 million ethnic Russians who live outside of Russia or help Moscow reassert control over

territory it once held. The administration is uncertain whether the

Baltics, Moldova and Russia itself. Dissidents in North Ossetia, in Russia's Caucasus moun-officers on the general staff in Moscow or simply reflect the uncoordinated actions of renegade commanders. But few U.S. experts expect that Mr. Yeltsin will be able on his own to put a stop to the meddling of Russia's military.

Russian Foreign Ministry officials have signaled their slarm in recent months by quietly seeking support from the United States and United Nations for future deployments of international peacekeeping forces in countries on Russia's periphery that are beset by crises. U.S. officials have responded warily because of their estimate that no nation, other than Russia, would contribute troops to such a deployment.
As part of the new U.S. strategy to quiet

See ETHNIC, Page 4

### Forget Tobacco — Try Some Eggplant

BOSTON - Here's some food for thought: Some vegetables apparently contain small amounts of nicotine, the addictive substance in

The word comes in a letter in The New England Journal of Medicine from Dr. Edward Domino and his colleagues at the University of The researchers noted that the presence of

niconne and related substances in the body fluids of nonsmokers is usually interpreted to mean that people have been exposed to second-

But the researchers said there was also "con-

siderable evidence" that nicotine was present in certain foods, especially plants from the family that includes potatoes, tomatoes and eggplants.
Three previous studies indicated the presence of nicotine, the researchers said, and their research confirmed it.

One study found that as little as one-third of an ounce (10 grams) of egsplant would provide the same nicotine as spending three hours in a room with minimal tobacco smoke, the researchers noted.

Five ounces of potato, eight and a half ounces of ripe tomato or nine and a quarter ounces of cauliflower provide a like amount of nicotine, they said.



Tsutomu Hata, right, a leader of the coalition, conferring Thursday with a colleague.

### Why Swim the Channel Now? Because It's Still There

By William E. Schmidt

rocky beach where the first hazards are children skipping stores the size of baseballs, Sandra Jenkins stands and taking great in the surf, windmilling her suntanned arms and taking great chilfs of breath as she stares down the French shore, 21.5 miles

Ms. Jenkins, a muscular 29-year-old health chib employee from Wales, is in training. Today, she will swim some 10 miles (16 kilometers), back and forth across the harbor where the channel ferries come and go. But next week, if the weather and tides cooperate, she will plunge into the water just below Shakespeare Chiff and like some 4,300 men and women before her set out for Calais, about 12 hours and 50,000 arm strokes

"I'm mad, I know it, I'm mad," said Ms. Jenkins, who has tried once before. Last summer, about six and a half hours into

the swim, she was forced to surrender, her mouth painfully swollen by jellyfish stings. By the time the three-month channel season draws to a close,

usually the first weekend in October, about 50 swimmers from 18 countries — one of the largest fields in recent memory — will have traveled to Dover like Ms. Jenkins and had a go at making a solo crossing of the channel. More than 100 others will also plunge in as swimmers in six-member relay teams, dividing the crossing among them in hourlong legs.

The relay teams are usually successful. But of those who try to go it alone most will abandon the swim barely halfway across, dragged limp and retching from the water; only 426 of the 4,318 who have attempted solo crossings have made it.

One hundred and eighteen years after a British ship captain named Matthew Webb first swam from England to France, battling tides and currents on a zigzag route that took nearly 22 Three have died trying. hours to complete, the channel remains one of the world's most daunting tests of physical endurance.

But these days, channel swimmers - once ritually celebrated in grainy newsrecis and newspapers as daredevil athletes of first rank — churn away in virtual obscurity, without audience or press chippings.

"You don't even get a T-shirt," complained Ed Acevedo, a 13-year-old college professor and marathon runner from Kan-sas who was forced to abandon his first attempt last month, five hours inm his swim.

Ray Scott, an officer of the 67-year-old Channet Swimming Association, which monitors and sanctions each attempt, acknowledges that much of the public fascination with the event

For one thing, the channel itself is not what it used to be. Once regarded as the impassable strategic barrier that separated England from the Continent, the channel these days more often conjures up images of seaborne pollution and congestion, its oily horizon crowded with the passing silhouettes of scores

See CHANNEL, Page 4

### Kiosk 4 Rockets Hit

South Lebanon MARJAYOUN, Lebanon (Renters) Guerrilas fired four rockets into Israel's "security zone" in southern Lebanon on Thursday for the first time since Israel

called off its attacks in the south last week, accurity sources said.

A cease-fire agreement included "understandings" that guerrillas of the pro-ligation Hezbollah would not fire Katyusha rockets at northern Israel but it did not cover guerrilla attacks on the so-called security zone.

Earlier article, Page 5

General News On the U.S. budget, new members of the House get heat from both sides. Page 3.

Business/Finance

Gold prices phinged after heavy Chinese selling unnerved the market. Page 11. Down Down 3.08 3,548.97 The Dollar 1.7060 1.503

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104:20

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New York Times Service DOVER, England — Beneath the White Cliffs, along a

### UN Report Assails U.S. Raid on Somali's Compound

By Keith B. Richburg

NAIROB! - A report by the United Nations legal office in Somalia sharply criticized a U.S.-led assault on a Somali leader's compound, saying the world body had a "moral" and "legal" ohligation to offer people a chance to surrender before such attacks.

The internal report focused on a UN attack July 12 hy U.S. helicopter gunships that fired anti-tank missiles and cannons into a meeting of advisers to a fugitive militia leader. General Mohammed Farrah Aidid, in Mogadishu, the Somali capital. Several of his commanders were killed in the raid, which UN officials said was timed to wipe out a "key terrorist cell" plotting amhush attacks against UN forces, including the attack was "well-planned" for the time the meeting

But the report, prepared by the UN's Justice Division in Somalia, raised what it called "important legal and human rights issues" about the attack, It asked whether the United Nations should target individuals and whether it "should hold itself to a higher standard of conduct" in what originally was a bumanitarian

mission to protect food supplies in Somalia.

"We believe as a matter of policy, short prior nonce of a destruction of a building with humans inside must be given." the report stated. "From the legal, moral and human rights perspective, we counsel against conducting military operations that give no notice of

attack to occupants of huildings."

The unsigned report was said in have been written

The UN envoy in the Somalia, Jonathan Howe, said by Ann Wright, who until a few days ago was the although officials insist they are still tracking his principal UN justice official in Somalia, responsible movements. for helping rehuild the shattered police force and judicial system. She left at the end of her contract to return to the United States.

The report was obtained from UN employees who said they had grown disillusioned with the course of the military campaign against General Aidid and his

There is strong feeling among workers in the hu-manitarian section that the military has subordinated aid efforts in its hunt for the general. Mr. Howe ordered him arrested for his suspected role in the killings of UN troops.

Since the helicopter assault, the United Nations has largely halted its offensive against General Aidid,

The lull in military actions in Mogadishu is partly attributed to sensitivity within the United Nations to the outcry after the helicopter attack. Criticism mounted from Somalis, from relief agencies and from within the United Nations, where many charged that the assault was an imnecessary provocation and turned the UN force into another belligerent faction in Somalia's civil war.

The report said the operation was "applying military methods traditionally found in declared war-/combat areas without a UN declaration of war/combat.

It said the assault created "unnecessary hostility that "dramatically" increased the danger to relief workers and foreign journalists in the capital.

### Mandela **Lashes Out** On White **Policing**

Compiled by Our Staff From Dispatches KATLEHONG, South Africa -Troops were called into townships east of Johanneshurg on Thursday to quell escalating violence, and Nelson Mandela later bitterly attacked the white-led security

Mr. Mandela, the president of the African National Congress, was to confer with President Frederik W. de Klerk about the latest violence, in which at least 128 people have been killed during the past six

Army headquarters in Pretoria said the government had ordered mechanized infantry units and armored vehicles to move into the

Mr. Mandela addressed thousands of supporters at an ANC rally in Katlehong, one of the main flash points of violence, promising to press Mr. de Klerk to throw a security cordon around migrant.

Much of the violence has been between ANC supporters and hos-tel dwellers loyal to the rival In-katha Freedom Party. Mr. Mandela acknowledged that

black leaders shared responsibility for the township carnage, but he said white police — "arrogant, rac-ist and suspicious of the communities they serve" - were at the heart of the township warfare.

When he suggested that more black police should be deployed in the townships, many in the crowd of about 8,000 jecred and shouted,

We want guns!"
He said that although security forces reacted strongly when a handful of whites were killed, the average white in the army, police and National Party was indifferent to the death of 15,000 blacks in almost 10 years of factional fight-

"To this government, to the po-lice force, to the defense force, lives of black people are cheap," Mr. Mandela said. "When 10 blacks die in this country, whites don't care. It

is as if flies had died." Mr. Mandela demanded that riot squads known as internal-stability units be withdrawn from the town-(AFP, Renters)

### WORLD BRIEFS

France's Immigration Bill Approved

PARIS (Reuters) — France's Constitutional Court on Thursday approved most of a bill to give the police wider powers to conduct identity

The bill, one of a series of measures planned by Prime Minister Edouard Bailadur's 4-month-old conservative government to crack down on crime and illegal immigration, was passed by both legislative houses in

But the court said application of the law should respect the principle that while increased police controls might be necessary to ensure public order, they should not be conducted in a general, random way. The court rejected a part of the bill that would have allowed the police to carry out random checks in frontier zones extending beyond 20 kilometers from a

#### Thais Confirm Aiding Khmer Rouge

BANGKOK (AP) — Thailand's army chief admitted Thursday that his soldiers gave medical aid to Khmer Rouge guerrillas who had attacked and detained United Nations peacekeepers, a radio station reported.

and detained United Nations peacekeepers, a radio station reported.

General Wimol Wongwanich said medical treatment was given for humanitarian reasons, according to a radio report. It was not clear how the guerrillas were injured. No UN personnel were hurt.

The UN mission said the guerrillas detained 21 peacekeepers in Thai territory Sunday in the presence of Thai soldiers who did not intervene. The peacekeepers had crossed into Thailand to escape a Khmer Rouge mortar attack on their base, a checkpoint along the Cambodian border.

#### Filipinos Reject Japanese Apology

MANII.A (Reuters) — Filipino women who were forced into Japanese military brothels during World War II have brushed aside Tokyo's sion of 50 years later, saying Thursday that an apology was not

enough.

A group of elderly women demonstrated outside the Japanese Embassy in the Philippine capital, demanding compensation for the wartime crimes, a day after Tokyo formally apologized to "tens of thousands" of victims. Historians estimate the number of victims, known cuphemistically as "comfort women," at about 200,000, most of them Koreans but also including Filipinos, Chinese, Taiwanese and Indonesians.

#### Gunman Kills 1, Wounds 3 in Kansas

TOPEKA, Kansas (AP) — A man awaiting sentencing on drugs and weapons charges entered a federal building here Thursday and began shooting, killing a security officer and wounding at least three people, officials said.

Hours after the shooting, the gunman, armed with rifles and bombs, was holed up and as many as 10 workers in a nearby office were still unable to leave the building. Those still in the building included at least one who was wounded.

About the time the shooting broke out; a car was bombed or set afire in an outdoor visitors' parking lot on the south side of the building. Three large explosions could be heard as the car burned. And 20 miles to the northeast, the Jefferson County courthouse in Oskaloosa was evacuated when a car there exploded. No one was injured. It was unclear whether the two incidents were related.

#### For the Record

Albania plans to try 32 people for having taken part in an anti-government protest in the capital last week, the Turana radio reported. It said they had been seized during a gathering of 20,000 to protest the arrest of Patos Nano, the former Communist prime minister, on charges de abase of power and fraud.

#### TRAVEL UPDATE

Two U.S. sirlines cut fares up to 35 percent for U.S. travel through Dec. 15. Delta Air Lines Inc., the third-largest U.S. sirline, initiated the sale, and it was matched by Continental Air Lines Inc. (Reuters)

United Airlines and United Express will assist disabled passengers in boarding all flights, airline officials said. The decision followed a weekend incident in which Rick Donglas, executive director of the President's Committee on Employment of People With Disabilities, had to drag himself up the steps to board a small commuter plane after airline personnel refused to help him.

Presenger rail traffic in France simpled in the first half of this year, and railroad officials admitted that a new computerized booking system was partly to blame. The new system is so detested that it has led ticket sellers

Two Dutch tourists were forced at gunpoint in hand over their car and belongings to highway robbers in the Rhone Valley south of Lyon. The thieves rammed their car into the rear of the tourists' vehicle, forcing them to stop, the police said Thursday. They said it was the ninth robbery of its kind in just over a month.

Ew Pe

Germany said it would repairiate 3,000 of its citizens from Portugal's Algarve coast, where they were stranded when a tour company, MP Travel Line, opened bankruptcy proceedings in Frankfurt last week. The Lisbon daily Publico said the firm owed about 5 million Deutsche marks (\$2.94 million) to Portuguese hotels and air carriers.

### **Blasts Said** To Kill 70 in China City

By Nicholas D. Kristof New York Times Service BEIJING - A series of huge explosions shook the southern Chinese city of Shenzhen on Thursday, possibly killing as many as 70 peo-ple and shattering windows for

The explosions occurred just across the border in China from Hong Kong, in the Shenzhen "special economic zone." Shenzhen is the centerpiece of China's economic liberalization program.

The hlasts are likely to raise new questions about industrial safety in China, particularly as a nuclear plant is to go on line soon in Daya Bay, not far from Shenzhen.

The first explosion was triggered by a leak of nitric acid from an army warehouse for hazardous materials. The fire from the hlast then ignited a gas plant nearby, and then 8 of the 10 warehouses in the area exploded in succession, Xinhua news agency reported.

The agency did not give a precise death toll, saying only that more than 100 bad been killed or injured. Another news service, the Hong Kong China News Agency, said that one hospital had admitted 200 injured and that the number of dead could reach 70. Many of the dead were fire fight-

ers, police officers and medical workers who had rushed to the scene after the first explosion, The Associated Press reported from Hong Kong that Shenzhen authorities bad requested help

from the Hong Kong government. The first hlast took place, according to official reports, at a warehouse operated by the Anmao Dangerous Goods Shipping and Storage Company, apparently an army-owned enterprise.

#### 23 Convicts in Siberia **Tunnel Out of a Prison**

MOSCOW -Twenty-three convicts have escaped from a Siberian prison camp through a 25-meter underground tunnel they dug themselves. Russian television reported Thursday.

The police managed to recapture only five of the men after the Wednesday hreakout near the town of Leninsk-Kuznetsky, the report



Nelson Mandela speaking in Katlehong, South Africa, on Thursday. When blacks die, he said, whites act "as if flies had died."

### What It Costs to Run a U.S. Hospital

By Eric Eckholm
New York Times Service

NEW YORK - Adding fuel to the debate on health care, a study has found that administrative costs account for one of every four dollars spent on hospital care, the highest

proportion yet measured.

The authors of the study, published in Thursday's issue of The New England Journal of Medicine, say bureaucratic costs in merican hospitals are more than double those in Canada, where the government pays for most health care directly, using tax mon-ey. The researchers also say the United States could save \$50 hillion a year in hospital costs alone, and a similar amount in insurance overhead and paperwork, by adopting a Ca-

nadian-style system.

But other experts, while agreeing on the need for a drastic overhaul of administrative costs, say a government-run system is not the best way to make medicine more efficient.

Among the factors increasing paperwork in hospitals are the need to deal with a multitude of insurers with different billing, pay-ment and oversight policies, efforts to collect unpaid fees and to cover the costs of the uninsured and meeting complex state and

Two authors of the new study, Steffie Woolhandler and David U. Himmelstein, both doctors at the Harvard Medical School, are leading advocates of a Canadian-style "single-payer" system and longtime critics of administrative waste in American health care. While they have reported similar findings in the past, their new study is more comprehensive. It is based on federal reports filed by nearly all hospitals in the United States for the fiscal year 1990, and it found an even higher level of administrative expense

than before. On an average day in 1968, the study says,

agers and clerks while caring for 1,378,000 patients. By 1990, the average daily number of patients had fallen to 853,000, but the number of administrative personnel had

grown to 1,221,600. The study found that administrative costs ranged from 20.5 percent of total hospital spending in Minnesota to 30.6 percent in Hawaii, with New York, at 25.1 percent, near

On average, bureaucratic expenses were no lower in states where large numbers of patients are enrolled in health maintenance organizations, or prepaid health plans, and where hospitals have had to compete fiercely in receive patients from such plans. This, the authors say, suggests that the strategy President Bill Clinton is expected to propose, which would encourage competition among large health plans, will fail to reduce administrative expenses.

### CLINTON: When Getting Tough Is Too Hard to Do The Flood, and the Illinois Village That Staved It Off.

#### Continued from Page 1

this centerpiece of his administration such an arduous undertaking. Several House members said the president had never told them, crisply and unambiguously, that he had to have their votes. The issue came before them late Thursday.

Mr. Clinton is not playing hard-hall, politicians and lobhyists say, nartly because of an ingrained reinclance to crack down, partly because the realities on Capitol Hill have changed and partly because he has so many tough fights ahead that be does not want to expend all his ammunition at once.

"I have been criticized in some quarters for not talking tough enough," Mr. Clinton acknowl-edged Wednesday in a speech to the Urban League. "My theory is that if you do the tough things. actions speak louder than words. George Stephanopoulos, one of

President Clinton's senior aides. said his boss was getting a burn rap.
"There is a difference in your approach 14 days out, 7 days out and 2 days out." Mr. Stephanopoulos said.

"You don't want to start shouting too early. But I can promise you

Salle Baccarat

meetings.

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this: In this final 48 hours, nobody will leave the Oval Office or get off the phone with the president without feeling that they have been asked for their vote."

But among some who bave worked on congressional relations in other administrations, many of likely to prevail.

ber of the White House staff was told by an old-timer. "Sooner or later, the president's going to have to tell one of these senators that. like it or not, he's going to support the administration, he's going to get nothing for it, and if be doesn't ne'll pay for it, period!"

siderable disdain for Mr. Clinton's performance, even though he seems

House mainstay under Presidents Richard Nixon and Gerald Ford, was somewhat more generous in his appraisal. One reason that Mr. Clinton has not lowered the boom on wayward Democrats, he said, "is that the boom is broken."

It is true many of the techniques

used by presidents are no longer available. Some were always dicey. In 1970, President Nixon successfully encouraged Repubbican voters in New York to back James

of the most popular presidents, failed in his attempt to purge five Democratic senators and one representative. All but one were re-Several weeks ago, a senior memnominated easily.

Nowadays, the most successful

The Clinton staffer answered "But these guys don't know that

Tom C. Korologos, a White

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Mr. Foster could have been dead for as long as two hours before his body was found on the evening of July 20 in a park outside Washington, a U.S. Park Police officer. Gregory Brown, said Thursday. Rigor mortis had not set in, he

Senate candidates are elected by

of Mr. Clinton's strategists.

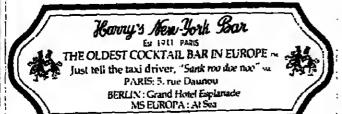
Foster Autopsy

Finds Nothing to

Gainsay Suicide

WASHINGTON - An aumpsy

The police have said the investigation turned up nothing to indicate anything other than suicide. Powder burns were on his hands. but the bullet fired into his head has not been recovered.



PRAIRIE DU ROCHER, III-L. Buckley, a Conservative, over Senator Charles Goodell, a Republican foe of the Vietnam War. But Franklin D. Roosevelt, one

> it," said Juanita Bleem of the Randolph County Emergency Management Department, "It's not over summer has taken 45 lives and caused at least \$10 billion in dam-

going against the grain, picturing themselves as standing up for their state or region against the evil knights of Washington, said one worst natural disasters in U.S. bistory. On Wednesday the Senate approved \$5.8 billion in flood aid.

> feet, on Sept. 1. The most pessimistic forecast

additional precipitation." said Jack he apparently committed suicide Burns, a hydrologist for the Weath-Weather forecasts called for a

> souri on Thursday and Friday, with sometimes heavy thundershowers. Mississippi and its tributaries this summer. But in the town of Prairie du Rocher. 30 miles south of St. Louis, founded in 1722, residents,

nois - The Mississippi River's two-month campaign of destruction began in subside Thursday with residents of this village claiming one of the few triumphs in the Great Flood of '93. "It looks like we may have beat

but the critical stage has passed."
Flooding in the Midwest this age in what is now called one of the

Although the Mississippi dropped to 47.5 feet Thursday, almost 2 feet lower than the record 49.4 feet set Sunday, the National Weather Service said the most optimistic forecast had the river falling below flood stage, measured at 30

calls for the river at St. Louis to drop below flood stage in mid-Ocshowed nothing unusual in the toper, further delaying cleanup. body of Deputy White House Counsel Vincent Foster Ir., when "Those forecasts are based on no

> chance of scattered showers in Mis-Victory has been scarce along the



A flood control worker grappling with a coffin, one of many that had floated out of a submerged cemetery near Hardin, Missouri.

National Guardsmen and thousands of other tenacious volunteers nulled off the most during operation along the river.

In order to keep back flood-waters, the U.S. Army Corps of Engineers and the county levee district invited the swollen river into prime cropland by carving a 400-foot opening in the Fort Chartres

levee north of the town Tuesday. The 23sh flooded thousands of acres of farmland and destroyed as many as 100 farmhouses, but George Postol of the engineers. floodwaters were diverted from the town itself. However, the waters kept coming and the break created a reservoir that was rising faster than the river.

levee, local officials, against the advice of the Corps of Engineers, used dynamite Wednesday to widen the reak to 1,200 feet.

"We thought it was the craziest

liquefy and disintegrate. But it Downriver in Missouri, the town of Sainte Genevieve braced for a To ease the water level inside the crest of 48.5 feet expected to hit its

sandbag levees Thursday. The levees in the town stand 51 feet. "We've switched from building to reinforcing the levees," said Jean cess will take several days, keeping Rissover, a town official.

idea we had ever heard," said We thought the whole levee would tanks of the Phillips Petroleum Co. More than 9,000 area residents were evacuated early this week because of the danger of explosion.

After the tanks are filled, which

will force the propage to the top of

the containers, workers will begin

to bleed off the propane. The pro-

residents away from their homes.

### William Niederland, Student of 'Survivor Syndrome,' Dies

Dr. William G. Niederland, 88, a of former death-camp inmates led died Friday in Englewood, New iersey, of heart failure.

contact with 2,000 patients who year in Auschwitz, but the sympsurvived the camps as well as nampsychoanalyst whose observations ral disasters and automobile accidents. The symptoms, he found, him to formulate the "survivor syn- included insomnia, nightmares, drome as a distinct condition, personality changes, chronic depressive states, disturbances of memory, anxiety and psychoso-

He first described the "survivor matic ailments. "The ego," he observed, "is not syndrome" in 1961 and returned to so massively shattered in a flood the concept in papers, lectures and interviews. It was derived from his survivor as in the survivor of one toms are the same." Hans Lowey, 86, Inventor. Of Time-Release Pills

New York Times Service Hans Lowey, 86, who transformed oral medication by inventing pills that prolong a drug's release over many honrs, died Wednesday in Port Chester, New York, of a cerebral hemorrhage.

time-release or sustained-action the side effects. pills is now widely applied in medications for many illne

He developed the process in the early 1950s to prevent the nausea that soldiers in the Korean War

Mr. Lowey was a self-taught, dose salt tablets to help retain wa-"kitchen chemist" who experimented with formulas on the stove lose, he extended digestion of the at home and turned them into mar- tablets to as long as 12 hours, and ketable products. His concept of the gradual absorption prevented

Tay Eng Soon, 53, Singapore's senior minister of state for education, died of heart failure Thurs day. He had been was admitted to a that soldiers in the Korean War hospital Monday with fever and often suffered when taking large swelling of his right leg.

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### STATESIDE / GROWING UP IN CONGRESS

It's Not the Song That Horts, it's the Voice

WASPINGTON — Last week, Sensor Carol Moscley-Brann stormed onto the Sensie Boor and engaged Sensor Jesse Heims and customessed the sid boys' cloth by denouncing an amendment to renew the United Daughters of the Confederacy's patent on the Confederace Hag insignia.

It made the Historia Democras a hero to inflicens of Americans.

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1 11 1 FM

Wednesday night, at the National Triban League 1993 dinner, she casually mentioned another, more private victory. She was on a Senate elevator Tuesday with Senators Orini G. Hatch and G. Kent Counsel when the docum opened — and in stepped Senator Heims, the

North Caroissa Republican.

"He saw me standing there, and he started to sing, "I wish I was in the land of cotton —," she sold the audience. "And he looked at Scentor Hatch and said, I'm going to make her cry, I'm going to sing Dine must see cries.

"And I looked at him and said, Senator Helms, your singing would make me cry if you sing 'Rock of Ages.' "

She looked at the curved and allowed herself a small smile as the Washingson Consention Center erupted in whoops and cheers.

Score another one for the new hid in town. (NP)

Clinton's Ratings Still Low, but There's Time

WASHINGTON -- President Bill Choton's approval rating reministrative con a resistent sent cholors approval rating remains weak, at 19 percent, largely because many people believe that he breaks his promises and cannot get things dose, according to a poll by the Times Mistror Center for People and the Press.

Nevertheless, much a well informed and say that it is too early to determine whether his resistance and say that it is too early to

determine whether his presidency ultimately will be a successful one.
Relatively lew can cite any Clinton accomplishments, although support for his economic plan and his handling of foreign policy and trade issues is fairly strong and up slightly from previous polls. In sharp commist, there is clear disapproval of the president's decision to ease the ban on homosexuals in the military.

The survey found that 39 percent approve of Mr. Clinton's job performance, while 46 percent disapprove. Although the president's approval rating jumped about a dozen points after the June 26 attack on Iraci facilities in Bighdad, has latest rating has returned to the level of early June. But the jury is still out in the long term: 60 percent thank it is too early to judge the success or failure of his

The public overwhelmingly considers the president warm and friendly (87 percent) and well-informed (63 percent). At the same time, a majority does not think that the president keeps his premises (53 percent) and does not believe become get things done (54 percent). The public is also evenly divided on whether it thinks he is well-

#### Nostenkowski Pays the Price for Legal Woos

WASHINGTON - Representative Dan Rostenkowski, fighting a federal investigation of his finances, has spent more than \$355,000 in campaign funds on lawyers' fees for himself and his aides in the last 12 months, federal records show.

Sach use of campaign money is entirely lawful. But the amount of the lawyers bills, while not unpuredented for a member of Congress under criminal inquiry, is a reflection of the depth of the legal trouble that Mr. Rostenkowski, the Illinois Democrat who heads the House Ways and Means Committee, may be facing.

Robert V. Rora, former postmaster of the House post office, has the Mr. Rostenkowski, the Democrate post office, has the facing interest of the House post office, has

told federal investigators that Mr. Rostenkowski embezzled tens of thousands of dollars from the post office by exchanging stamp wouchers drawn on his office account for each, according to court records filed when Mr. Rota pleaded guilty to misdeineanor charges in federal court here last mouth.

"It's not easy, it's painful to admit mistakes you make," Margaret M. Richardson, commissioner of the Internal Revenue Service said after listening to members of the Senate Governmental Affairs. Commissioner express outcage that some IRS employees had abused—their public trust by improperly browsing through tax records. (WP)

### King Case Penalties **Attacked as Racist**

Compiled by Our Staff From Dispatches LOS ANGELES — Rodney G. Koon, Officer Powell and two oth-king joined federal prosecutors and black leaders Thursday in criti-state charges in the bearing.

may appeal.

"If it was me I would have been doing 10, 15 years," Mr. King said in an interview shown on NBC. "But once you're going up against tive director of the NAACP, said, police officers, it's hard to prove it.

"These sentences display a wanton disparity, discrimination and ineq-

While he said he wasn't satisfied, Mr. King capressed some relief that Sengeant Stacey Koon, 43, and Officer Lamence Powell, 30, did at

least get some prison time.
In sentencing the two Wednes-day, Judge John Davies of the U.S. district court said that Mr. King, by being combative, brought much of the beating on himself.

The two policemen had faced a maximum of 10 years in prison and \$250,000 in fines for violating Mr. King's civil rights. Federal guidefines called for sentences of six or seven years.
With good behavior, the two

men could be free in a little more . than two years. They were ordered to report to prison Sept. 27. However lawyers for the two policemen had acted legally for the first 67 said they planued to appeal the taped seconds and went too far

people dead in 1992 after Sergeant Koon, Officer Powell and two oth-

cizing the 30-month sentences given the city remained calm over-en the two policemen convicted of night and the alert was ended this The city remained calm overbeating him. Prosecutors said they morning, with the police returning to their normal schedules. .

Black leaders and citizens alike denormiced the sentences. Benjamin F. Chavis Jr., execu-

mity, based on race. Once again a double standard of justice in the United States legal system has been exemplified." Mr. King who has filed a \$50

million lawsuit against the city, did not attend the sentencing. In the NBC interview, he accessed the indge of trying "to set a tone for the civil case" with his comments at Mr. King was clubbed, kicked and stomped March 3, 1991, after

hading police on a chase that be-gan when they mied to stop him for speeding. An onlooker videotaped the episode, which became a national symbol of police brutality. Judge Davies said the policemen

only after Mr. King had become

submissive. Most of the scrious in-

All available police officers were put on duty to prevent a repeat of juries were inflicted by that time, the rioting that left more than 50 he said.

#### **Away From Politics**

 A fingitive who was questioned by the FBI after the bombing of the World Trade Center in New York in February and then released has been indicted as a conspirator in the explosion. Federal authorities charged that Abdul Rahman Yasin, also known as Aboud, helped mix explosive chemicals in the month leading up to the bombing.

A federal judge has reinstated Leonard Jeffrics as chairman of the black studies department at City College in New York, raling that although he had made "hateful, poisonous and reprehensible statements" and had behaved in a "thuggish" way, his removal had violated his constitutional rights. Mr. Jeffries was removed after a 1991 speech that was considered by many to be anti-Semitic.

 A burger who killed his 75-year-old victiss because he feared being identified was executed in Huntsville, Texas, Joseph Paul Jernigan, 39, became the ninth man to be put to death in Texas this year. · Energy Secretary Hand R. O'Leary plans to replace the primary

contractor in charge of building the superconducing supercollider with a more experienced company. Universities Research Association Inc., a nonprofit consortium of universities, will continue to handle design questions and operate the collider once it is finished. The State Department secretary arrested by the FBI on espionage charges has been accused of helping pass classified cables and other secret information to rebels trying to topple the Liberian government. Geneva Jones and a co-defendant, Dominic Mube of Cameroon, were kept in custody after their arraigment before a federal

### On Budget, House Freshmen Feel Heat From Both Sides

By Kevin Merida eton Past Service

WASHINGTON - Representative Karen Shepherd, Democrat of Utah, voted for President Bill Cintou's economic plan once and had planned to vote for it again. But her conservative district, which she won with just 52 percent of the vote, has been bombarded with anti-Clinton, anti-tax radio ads from the Republican National Committee and the Christian Coalition. And the ads have been having an impact on

"There have been so many distortions and outright lies about this budget package," said Representative Shepherd, "My problem is I have to somehow rise above that regardless of the political consequences." The Democratic National Committee is airing

counter ads in the districts of 11 freshmen who are under fire for supporting the budget plan, including Ms. Shepherd. The Democratic national chairman, David Wilhelm, appeared on a Salt Lake City radio call-in show to deflect some of the criticism she is receiving. Mr. Wilhelm said the message in the effort was, if you stand by the president, the party will back

When the House first voted on the Clinton economic plan May 27, 11 of the 38 Democrats who opposed it were newcomers. With another close vote expected on the budget package, freshmen Democrats again faced a crucial test of party loyalty.

who voted against the president's plan and said she would not back the version negotiated by a House-Senate conference,

Like Ms. Margolies-Mezvinsky, other freshmen who leaned against the plan said that the compromise package contained a burdensome gasoline tax and not enough spending cuts, and that sentiment in their districts was overwhelmingly against it. Among this group were Sam Coppersmith, Democrat of Arizona: Pat Danner, Democrat of Missouri: David S. Mann.

Democrat of Ohio, and Scotty Baesler, Democrat of Kentucky — all of whom voted no the last time. Although the vast majority of the 66 Democratic freshmen were expected to vote for the plan, many were torn between their desire to support the president and the political realities of their districts.

Democratic leaders were able to turn around some freshmen, but others who had voted for the plan had second thoughts. James A. Barcia, Democrat of Michigan, for instance, is "giving us some problems," said one Democratic source. Mr. Barcia's office confirmed that he was undecided.

Some freshmen found it difficult to reconcile what they had told voters during their campaigns with the necessary give-and-take of governing. Peter Barca. Democrat of Wisconsin, had just won a special elec-

meeting with colleagues, talking with constituents and

trying to decide what to do. For others, a "no" vote will not be difficult to cast.

Mr. Baesler said that Mr. Clinton's speech Tuesday resulted in 52 calls to his office Wednesday morning -38 urging him to vote against the president's plan. Mr. Mann said his constituents thought the package is "laughable" because many of the spending cuts do not kick in until 1996. "They don't trust Washington," he said. "They don't trust Congress to implement the speodiog cuts later.

And based on the performances of past Congresses, their skepticism is well-founded. If I go along, I'm part of the problem."

The White House has tried to show that there are rewards in the form of public stroking for those who change their minds. The president met Wednesday with Carolyn B. Maloney of New York and Paul McHale of Pennsylvania, both freshmen Democrats, and then touted the importance of their support at a news conference at the Capitol.

Representative Maloney, who had been concerned about the energy tax and the impact of the package on senior citizens in her New York City district, said. "It's time for us to rally behind our president." Freshmen like Eric Fingerhut, Democrat of Ohio.

"This is the Super Bowl of pressure," said Marjorie approved Mr. Clinton's plan in May—a plan be told who came to Washington with high hopes for reform.

Margolies-Mezvinsky, Democrat of Pennyslvania, voters he would not have supported. Mr. Barea was have been disappointed by the budget process. Mr. Fingerhut, co-chairman of a Democratic freshman reform task force, said the guiding principle through

out the budget negotiations seemed to be "what is the version that can buy off one or more sets of votes needed for passage." Mr. Fingerhut, who voted "ves" the first time, said he was undecided. And there are other freshmen frustrations. When the Clinton plan was first voted on in the House, the

the White House. "They thought we were easier to push around," said one Democratic freshman who voted against the Clim

freshmen were leaned on heavily by their leaders and

But party leaders say they recognize that som freshmen face special circumstances. Virtually all the Democratic freshmen who voted against the president's package either won their races by relatively narrow margins or ran in districts that Mr. Clinton did not carry. And many who have stuck their necks out for the president, like Representative Shepherd, have

done so at risk to their careers. "It seems to me it's not perfect." Ms. Shepherd said of the budget compromise. "But the worst of all of the alternatives is not to pass it, and not move forward to health care. free trade and all of these other things we

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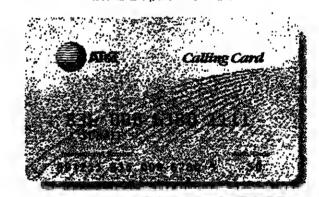
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### U.S. Wavers on Expansion of UN Peace Role

By Barton Gellman

Washington Past Service
WASHINGTON — President Bill Clinton's national security advisers have agreed to support a "rapid expansion" of United Nations peacekeeping operations around the world, but the new policy falls far short of UN hopes and the aggressive proposals of

some officials. The initiative, outlined in a classified draft of a Clinton directive, endorses the United Nations as, in effect, a world policeman and commits Washington to support multinatinnal peacemaking and peacekeeping opera-tinns "politically, militarily and financially."

But it rejects the call from the secretarygeneral, Butros Butros Ghali, for a UN "rapid deployment force" for intervention in world trouble spots, an idea Mr. Clinton endorsed in 1992.

The Pentagon, in the words of one officer, threw "a major dose of cold reason" on broader proposals from the State Department and National Security Council staff. The major emphasis of the directive is the

than 80 full-time employees now work to

Continued from Page 1

these conflicts. Secretary of State Warren M. Christopher has ap-

Warren M. Christopher has appointed the deputy chief of the U.S.

mbassy in Moscow, James Col-

lins, to be a coordinator for region-

al affairs under Ambassador-at-

Large Strobe Talbott in the State Department's Office of Newly In-

dependent States.

Mr. Collins's principal activity, according to a senior official, will

be "diplomatic arbitrage" — or

mediation - between the parties to

these disputes, so long as they wel-

come it. His leverage, the official

added, lies partly in that many of the partisans have better relations

with Washington than with each

Washinginn's leverage also

comes from U.S. plans to provide roughly \$1.7 billion in economic

assistance to Russia and \$800 mil-

lion in economic assistance to the

states on Russia's borders, the offi-

U.S. officials also said the ad-

ministration was willing in princi-

ple to support the future deploy-

nther or with Moscow.

cial said.

control 80,000 troops around the world in 14

operations. Unwilling to pay for this, however, the Clinton administration is directing its chief delegate to the United Nations, Madeleine K. Albright, to begin recruiting donors, "focusing on Japan and Germany.

If signed by Mr. Clinton this month, as expected, the directive would formalize the sident's acceptance of UN command over U.S. troops, a milestone.

But the document rejects any open-ended U.S. commitments and directs American military commanders to disobey UN orders they judge illegal or "militarily imprudent."

The new policy comes at a time of unprecedented growth in demands for UN peace roles and of serious problems with operatinns in Somalia and Bosnia. The Clinton directive says the United

States will neither "earmark" U.S. military units for UN peace operations nor even promise to supply capabilities such as combat engineering and air cover. Instead, bolstering of the size and professionalism of the UN headquarters staff, of whom fewer it may be willing to contribute "on a case-by-Washington will list a set of capabilities that

Soviet Union, if such operations

and remain under strict UN politi-

A copy of the directive, obtained

by The Washington Post, states that while the United States may

encourage various regional military organizations to supervise and car-

ry out peacekeeping operations in former Soviet territory, it will op-

pose extending that anthority to

dent States, the loose-knit political

former Soviet republics.

union formed by Russia and other

the effect of that restraint, according to one disappointed advocate of greater com-mitment, leaves the world body in the position of "rounding up a posse" every time it

considers a new intervention. At the same time, the plan endorses a broad new definition of what constitutes a "threat to international peace and security," setting the stage for forcible UN intervention.

The policy allows for U.S. troops to be the UN. placed under the "operational control" of a UN commander, which ratifies an experiment under way in Somalia. When the U.S.-led humanitarian interven-

tion there gave way to UN command in May, Mr. Clintoo became the first president since the Korean War to place U.S. troops under But in a controversial hedge, the directive

orders U.S. commanders in such operations to maintain separate reporting channels to higher U.S. military authorities and to dis-obey UN orders that they judge illegal, out-side the agreed UN mandate or "militarily imprudent and unsound."

The United States will also reserve the right to end participation of U.S. units and to take whatever actions it deems necessary to protect them.

Although Pentagon officials insisted on these conditions, they acknowledge that they make for what one called "a double-edged

"If we're in charge, do we want the Turks when a country undergoes "sudden and unexpected interruption of established democracy or gross violation of human rights."

The policy ellege for 115 transports and the say, 'I don't like that order?" asked one officer. "It's going to cause us some problems as we try to sell this to other nations in

Mrs. Albright acknowledged in a closeddoor talk to army officers a week ago that the reservation of national decision-making power made for "serious command and control problems" in a UN force.

Those problems are already clear in Soma-lia. Italian forces in Moganishu have con-ducted military operations and negotiations there without notifying Lieutenant General Cevik Bir of Turkey, the UN operation's overall commander, and the Italians have refused direct orders to attack Somali gon-

"If this is the wave of the future, the future looks pretty ugly," said a U.S. officer.

#### **Bosnia Officer at State** ETHNIC: Washington Seeks to Mediate in Ex-U.S.S.R. "The United States should make clear to Russia that United Nations

met criteria aimed at ensuring that oversight of any operation will be participating Russian troops canreal and ongoing and could result in U.S.-Russia policy differences over the mandate, scope, and even not suppress regimes or political groups hostile to Russia. These criteria are spelled out in a advisability of such operations,"

new policy directive on internathe directive states. tional peacekeeping nperations drafted by senior U.S. officials and Nor will Washington support UN payments to Moscow for the awaiting President Bill Clinton's peacekeeping activities of Russian signature. The document contains troops in former Soviet territory, a section on peacekeeping opera-tions in the farmer Soviet Union, the directive says. It will instead support, and most likely contribute stipulating that such operations to, a voluntary fund that could unmust be welcomed by all parties to derwrite such efforts. the dispute, adopt a neutral stance, respect all borders, preserve demo-cratic policies, be of finite duration

An American official said concerns about Russian military activities nutside Russia had recently been fanned by signs of "nostalgia for the empire" among prominent Russian officials - not including Mr. Yeltsin, The official noted that when Representative Tom Lantos, a California Democrat who visited Moscow in April, asked Vice President Alexander V. Rutskoi why his wall still displayed a large map of the Soviet Union, Mr. Rutskoi replied that the country was in a transitional state and the map may eventually be accurate.

**Quits in Policy Protest** ton's policy, The Associated Press reported from Washington. By Michael R. Gordon
New York Times Service
WASHINGTON — The State

[At a news conference, Mr. Harris said that there was much dis-Department's chief expert on Bosagreement in the State Department over Bosnia policy. "I don't know nia-Herzegovina has resigned, charging that the Clinton administhat we're in great turmoil, but its tration was putting undue pressure no secret that there's widespread on Bosnia to agree to a partition. It was the second time within a dissent" he said.] year that the State Department of-ficial who manages Bosnia issues on a daily basis had resigned to

In a letter of resignation to Secretary of State Warren M. Christopher dated Wednesday, Mr. Harris asserted that the U.S. push for air strikes was too little, came too late man Harris, the department's desk and represented an abandonment officer on Bosnia, occurred as Ser-bian forces continued to tighten of the Clinton administration's stance that Bosnia be preserved as their hold on Sarajevo, the Bosnian capital, despite the threat of air strikes by the North Atlantic Treaan independent state.

"I can no longer serve in a De-partment of State that accepts the forceful dismemberment of a European state and that will not act gainst genocide and the Serbian officials who perpetrate it," Mr. Harris wrote.

He accused the Clinton administration of having missed or mishandled earlier opportunities to per-suade the North Atlantic Treaty Organization allies to agree to lifting the arms embargo on the Bosnian Muslims so the Muslim-led gov-ernment could defend itself.

The air strikes that the Clinton administration is now planning, Mr. Harris wrote, are limited and are partly intended "to assuage our gnift." He wrote that by pressing the Bosnian Muslims to agree to a partition, the administration is driving the government to sourceder its territory and its sovereignty to the victors in a war of aggression.

Mike McCurry, a spokesman for Mr. Christopher, said Mr. Harris An aide to Mr. Karadzic, Nikola had not played any real role in the Koljevic, would not say whether administration's more aggressive Dolicy Oil Hosma

The resignation recalled the departure of George D. Kenney dur-ing the Bush administration. Mr. Kenney quit as the department's deputy chief of Yugoslav affairs in 1992, accusing the government of failure to take action.

### JAPAN: New Coalition Gets Off to Bumpy Beginning

LAST RESPECTS — A priest after praying at the coffin of King Handonin at the Royal Palace in Brussels on Timesday. A crowd estimated at more than 100,000 turned out in the Belgian capital to mount the mountch, who died in Spain on Saturday at age 62. The functor is Saturday.

Continued from Page 1 uled 1 P.M. opening of the plenary session. At 9:35 P.M. they gave up, and it was amounced that they

would resume Friday. "I used to be a member of the Liberal Democratic Party," said Keiwa Okuda, a leading member of one of the coalition parties, "so I cannot crinicize them too much, but

I marvel at their persistence." "I don't want to use the word harassment," said Hajime Fun-ada, another recent defector from eral Democrats, "but I wish

they wouldn't be so childish, that they would act more adult." The paralysis turned what many had expected to be a formality into a fluid situation. Although several experts said that Mr. Hosokawa: was still likely to be elected soon,

they also admitted that the delays would test the coalition. Adding to the sense of unease

had been having difficulties form-ing his cabinet. Most of the posts have been apportioned in claborate negotiations between the parties. But he has insisted that he would like to appoint a few people who are not elected members of the par-

were reports that Mr. Hosokawa

· For instance, it has been widely reported that he approached Akin

reported that he approached Active
Morita, the chargman of Sery
Corp., to be foreign manuscrafter.

Morita is reportedly ministented,
but the issue caused some denate.

BONN — Japan's imperial couwithin the condition. The foreign
minister's jobis artificial some occurs
tion members argued so why give since Emperor Akilinto's accession
it away to an outsider?

questions has meant that it may take another day or two after Mr. Hosokawa's election to complete the cabinet and submit the names to the emperor for final approval. By then, the continon may be even weaker, giving new confidence to the battered Liberal Democrats.

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"The Liberal Democrats will return to power, insisted Massharu Gotoda, the outgoing justice many

### ment of UN peacekeeping forces within the borders of the former Serbs Offer to Open 2 Roads to Sarajevo

Compiled by Our Staff From Dispatches PALE, Bosnia-Herzegovina -Bosnian Serbs offered Thursday to withdraw from strategic heights overlooking Sarajevo and to open twn routes to let supplies enter the besieged capital.

The offer appeared to be an effort in stave off threatened Western air strikes and to salvage peace talks stalled in Geneva.

We agreed to open Sarajevo as soon as possible," the leader of the Bosnian Serbs, Radovan Karadzic, said at his headquarters here in Pale, ontside Sarajevo. But he made no explict reference to the 16-mnnth-old Serbian siege. Earlier this week NATO mem-

PERSONALS

bers authorized air strikes to prevent strangulation of Sarajevo.
On Thursday, the U.S. secretary of state, Warren M. Christopher, said he would visit Aviano air base in northern Italy on Friday to dis-

cuss details of operations. NATO's governing body is to reconvene Manday to debate whether to proceed with air strikes against Serbs near Sarajevo and nther UN-protected areas, an alliance spokesman said in Brussels.

At the Geneva talks, mediators said Thursday that there would be nn further sessions until Monday
— a clear sign they were having
problems getting the Muslim-led
government back into negotiations.

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The president of Bosnia-Herzegovina, Alija Izetbegovic, a Mus-lim, had said he would boycott the talks until Serbian forces withdrew from the heights over the capital. in Sarajevo, Mr. Karadzic said that routes to the city would be

opened for United Nations military, relief and commercial traffic. In addition, Mr. Karadzic said, Bosnian Serbs would relinquish strategic positions on Mount Igcity and return to their previous positions. UN peacekeepers could take over the positions, he said, to ensure they remained neutral.

In Geneva, the Bosnian foreign minister, Haris Silajdzic, said that

if the Serbian offer proved genuine, his government would return to the negotiating table. The Serbian proposals were an-

protest U.S. policy.

The departure of Marshall Free-

ty Organization. The decision by Mr. Harris reflected continued dis-

agreement within the State Depart-

ment on U.S. policy.

[Mr. Harris will join the staff of

Representative Frank X. McClos-

key, Democrat of Indiana, an out-spoken critic of President Bill Clin-

nounced in a statement issued after Mr. Karadzic and his army commander, General Ratko Mladic, talked with the UN troop commander here, General Francis Briquemont of Belgium.

NATO's declared readiness to bomb Serbian positions had led to the pullback offer, but he indicated that the Serbs regarded the threat

(Reuters, AP, AFP)

TODAY'S

HOLIDAYS

&

TRAVEL

SECTION

Angry Taxpayers CHANNEL: For Swimmers, It's Still the Ultimate Tell Italy to Lay

ROME -- Italy's health ministry wants to bury a disputed tax that even places a levy on the dead. Health Minister Maria Pia Gara-

Most people, including those who have died during 1993, are liable for the tax, which was intended to help regional governments pay for family medicine under the state health plan.

The main effect of the levy has been taxpayer outrage. The health nister, a Christian Democrat, earlier said she would do her best to carrier said she would be next year. bodies to help protect them from the cold and dirty needs against expected caloric expenditure.

Continued from Page 1 Death Tax to Rest of tankers and ferries and fishing boats. It's not even

much of a barrier anymore, a 31-mile rail tunnel, scheduled to open to traffic next year, has been burrowed beneath it. The channel is so crowded that this spring the French Coast Grard briefly contemplated barring swimmers from the coast near Calais, out of concern that they were interfering with traffic. As it is, coastalpropose abolition of the 85,000 line radios rimally broadcast balf-hour warnings to all (\$52) so-called family-doctor tax at a cabinet meeting scheduled for lookouts whenever a swim is in prosents.

Sull, the swimmers keep coming, Mr. Scott said, which reflects perhaps the current mania for fitness and the special popularity of other endurance athletic events, such as marathons and long-distance bake

If nothing clse, the swimmers sustain a cottage industry in Dover and nearby Folkestone. At the Boots Pharmacy here, for the equivalent of about \$22, swimmers can buy a two-and-a-half-pound tub of "channel grease," a handmade concoction of lanolin and petroleum jelly that swimmers smear on their

water. At this time of the year, its temperature is an average 62 degrees Fabreoheit (16 centigrade).

At least six local fishing boats contract out as pilots

for swimmers, escenting them on the trip across the change, at a paice of about \$1,500 per trip. Several hotels and bed and breakfasts offer special rates for channel swimmers and their parties. "Say what you will about the swim, but it's still the it, the acme, the Mount Everest of the swimming world," said Mr. Scott, 71, who gave up swimming in the Change! II years ago after padding head first into

a natch of new screege. . But for most of the swimmers, pollution is the least

of the leaseds. "You've got the extreme cold, dark-ness, jellyfish, sudden shifts in weather and the waves, including the wakes of those big ships," said Mr. Acevedo, a professor of kinetics and physical educasas State University.

For him, the swim was part of an academic research project, and a proposed research paper, to determine whether the physical demands of the gracing awar could be accurately offset with precise conditioning and careful calculations belancing the body's energy

#### RURAL HEALTH SERVICES PROJECT -LESOTHO PROJECT COORDINATOR

Applications are invited from suitably qualified candidates or consultancy firms for the position of Project Coordinator for the Rural Health Services Project (RHSP).

The Rural Health Services Project is financed by the African Development Bank (ADB) under the Ministry of Health. Lesotho Covernment is in the process of upgrading eight District Hospitals. The hospitals in three districts (Butha-Buthe, Leribe and Mohale's Hock have been completed and the construction work in two districts (Mafeteng and Outhing) are in progress and are expected to be completed in Angust 1993. The construction works for final phase are expected to start in January 1994 and will involve upgrading of three hospitals (Berea, Qacha's Nek and Mokhotlong).

Applications must be from citizens or firms of Participant es of ADB, and member countries of the ADB, and shall be Architects, Engineers, Quantity Surveyors or Building Technologists or Architects, Engineering or Quantity Surveying firms. Experience in local conditions and management of projects funded by International Financial Agencies ADB, World Bank, etc will be added advantage.

Position is for a two year contract renewable. Firms applying for the position must note that they will have to second a person to the project on a full time basis.

Applicants should submit their applications in writing with Curriculum Vitae, names of three referees on or before 10th September 1993 to:

The Principal Secretary Ministry of Health P.O. Box 514 Maseru 100 Telephone: 372836 Fax: 310041 **Bonn Sees Influx Ease** After New Asylum Law

BONN - The number of people who sought political asytum in Germany in July dropped by a third as a new control law took effect, the Interior Ministry said

But it added, "The number of asylum seekers registered in July is still too high."

In July, the Interior Ministry re-ported, 20,658 people applied for asylum compared with 31,123 in June. In April, 43,243 sought asy-lum and 31,705 applied in May.

It cantioned that the July figures determine whether the new law re-stricting asylum, which was adopt-ed in May and took effect July J. was effective. were not sufficient in them

The total people who sought asyhim in the first seven months was 244.718. up about 10,000 from the same period of 1992.

Anthorities said they were waiting to see how international sanggiers of aheas into Germany would ... Critics counter that Chancellot. react to the new controls:

just before the new law took effect, and others who had crossed earlier and then registered in July. Nearly 6,300 of the assistant seek-

ers in July were from Serbia and Montenegro, the remaining repub-lics of federal Yugoslavia, and Maccionia, one of the Torner six Yagothy republics.

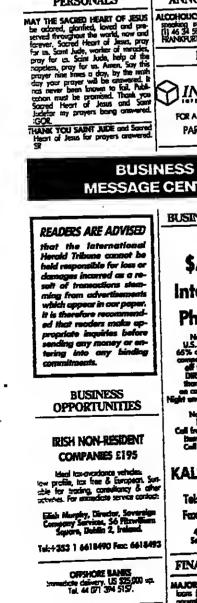
The new law provides for immediate, denial of entry to people crossing from a bordering mators and requesting political asylum.

Previously, Germany had one of the most liberal laws in Europe on political asylum. Virtually anyone who managed to see foot in the country and request asylum was housed, fed and given pocket money and the asylum application had been considered, a process that could last for years.

German conservatives say grow ing racist violence is in part a reaction to the hundreds of thousands of referees who have posted into the country from Eastern Europe, Africa and elsewhere.

Heimat Kohl's center-right coali-The Interior Ministry said the tion is using the refugee issue to July figures probably included people who had arrived in Germany (AP, AFP)

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### Israel Puts Its Hope On Pact With Syria

New York Times Service .
JERUSALEM — Israel's weekbrought a respite from the attacks of Shine guerillas, but its success now depends on attaining a peace agreement with Syria, Israeli offi-cials and Western diplomats say, Israeli officials are banking on

an agreement with Syria thei will-include a return of the Golan Heights to Syria in exchange for peace along the northern borders. Any agreement, Israeli officials say, will include a Syrian commitnt to crush the principal framan-backed guerrilla movement, Hezbollah, or Party of God.

If the peace agreement that now preoccupies Secretary of State Warren M. Christopher falls through, the flerce pounding of southern Lebanon may well backfire on Israel.

What it bods down to is this." said one Western diplomat who is critical of the attacks. The Israelis blasted the Shirte guerrillas hard enough to keep them off balance for a while. Now they hope that the Syrians will go in, after an agree-ment is reached on the Golan Heights, and clean up the mess they made. If no agreement with Syria is reached, however, the Israehs will once again have stirred up a hornets' nest."

Mr. Christopher met with King Hussein of Jordan on Thursday after traveling between Israel and

By Chris Hedges Syria and he said the Mideast

New York Traces Syrice peace talks were "back on track."

RUSALEM Israel's week. The attacks on Lebanon, which long shelling and bombing of ended in a cease-fire brokered by southern Lebanon; the largest as Mr. Christopher, were intended to sault since the 1982 invasion, has establish a red line" in the battle

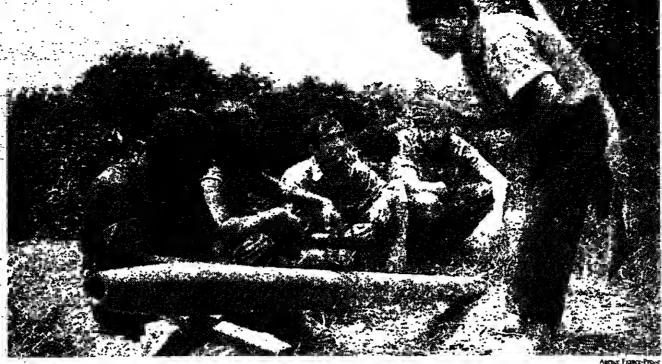
with the guerrillas.

The red line is the border between Lebanon and Israel, and the message Israel wants to get through to Hezboliah, the Syrians and the Lebanese is that this line is never to be crossed again. Rockets may fall an Israel's "security zone" in southern Lebanon, car bombs may explode there and guerrillas may attack Israeli-army outposts, but never again can the guerrillas strike

We did not want just to stop the firing of rockets." Prime Minister Yitzhak Rabin said. "We wanted to change a situation, a situation in which communities had become hostages of Hezbollah."

The attacks on Lebanon temporally displaced 250,000 people and left 130 dead, including 3 Israelis and 3 Syrians. About 500 people. mostly Lebanese civilians, were wounded. Israel dropped more than 1,000 bombs and rained 21,000 rounds of artillery shells on 70 villages in the south, causing widespread damage.

And the flooding of Beirut with displaced people was according to the prime minister, a conscious de-cision to prod Lebanon and Syria



Palestinians getting some preliminary rocket-firing training in southern Lebanon on Thursday.

first time to disarm some guerfillas.

Israeli analysts say the firm Is-

cooperation that can further the settlements in northern Israel, and peace process. They argue that the Syrian goal of rebuilding Lebanon cannot be achieved without tacit Israeli support. Thus, both sides have an interest in keeping the

Mr. Rabin says the bombing worked. He has praised Syria, said Emmanuel Sivan, a specialist which has 35,000 troops in Leba-in Arab alfairs at Hebrew University to rein in Hezbollah.

Israeli officials have been working overtime to portray the ceasefire as an example of the kind of bollah to stop rocket attacks on much less firepower and much less

grievances created among the Shi-Lebanese troops bave begun for the

But the assaults, in the final conclusion, have bought Israel nothing more than time. "It is over for raeli response has delineated the now." said a Western diplomat. and Israel has obtained a period of grace. But if the talks with Syria fall through, this nightmare will have just started."

Optimism in Israel An Israeli official said a peace

agreement between Israel and Syria was "almost guaranteed" by Mr.

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Christopher's trips between the countries. Agence France-Presse reported from Jerusalem.

The comments of Deputy Foreign Minister Yossi Beilin came after Mr. Christopher announced that be would return to Syria for a second time in three days on Fri-

The very fact that the secretary of state is shuttling backwards and forwards almost guarantees that we will achieve an agreement," Mr.

### Singapore Rebuffs U.S. On Rights Standards

The Associated Press

SINGAPORE - Singapore told the United States that it rejected Secretary of State Warren M. Christopher's call for worldwide application of universal humanights standards, officials said Thursday.

The rejection came in a memo to U.S. charge d'affaires. Ralph Boyce, a week after Mr. Christopher, during a visit, brought up the subject.

The Singapore memo carried a six-page appendix citing 22 inaccuracies in its section of the annual State Department report on human

"The U.S. State Department's report is written as if American policies and standards can be applied in all other countries." a newspaper quoted the Singapore government as saying. The diplo-matic note, not considered a formal protest, said it was becoming clear to the international community that Washington's stance on hu-

man rights was deluded. It did not mention Mr. Christopher directly. The U.S. Embassy denied that the report contained inaccuracies and invited Singaporeans to visit the U.S. information Service library to read it. Singapore and the

United States have become increasingly split over human rights. President Bill Clinton has made it a key element in his foreign policy. During his visit, Mr. Christopher said, "Some have argued that democracy is somehow unsuited for Asia and that our emphasis on hu-

man rights is a mask for Western cultural imperialism. They could not be more wrong.
"The yearnings for freedom are not a Western export: they are a human instinct." Mr. Christopher told a meeting of the Association of Southeast Asian Nations and its

major trading partners. Human rights are a touchy issue in the association, which rejects the standard Western definitions, particularly the rights of individuals.

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#### Israeli-PLO Talks Reported

JERUSALEM - Israel Radio said Thursday that a cabinet minister had secretly met a senior Palestine Liberation Organization official with the approval of Prime Minister Yitzhak Rabin, breaking one of the most enduring taboos in Israeli politics. The radio said Environment Minister Yossi Sarid of the dovish faction

Meretz and a Meretz member of the parliament, Dedi Zucker, had met a PLO adviser, Nabil Shaath, in Cairo and had reported back to Mr. Rabin. Neither Meretz nor Mr. Rabin's office would confirm the report, but the prime minister's spokesman said any negotiations would take place in the framework of Israel's 21-month-old peace talks with the Arabs.

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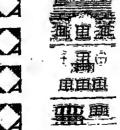


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#### Yes to Deficit Reduction

The budget compromise that Congress is voting on this week is not as bold or inspiring as President Bill Clinton asserted in his television address on Tuesday. But neither will it lead to the economic Dunkirk forecast by Bob Dole, the Senate minority leader. To the president's and the conference committee's credit. the plan would begin to bring the deficit monster under control without imposing un-due harm on a fragile economy. Where the plan comes up short is in its failure to tilt public and private spending toward invest-

ment — the key to long-term growth.

This budget does not embody the economic plan that Bill Clinton ran on or the economic agenda he set forth in his compelling speech to a joint session of Congress in February. He promised then to stimulate the economy, to strengthen the country's economic base with innovarive investment programs and to reduce the deficit through new taxes on the rich and cuts in federal spending. Both the stimulus and the investment initiatives have all but disap-peared, leaving a deficit reduction program.

But that program is coherent and fair; and while the plan does not promise salvation, a weary Congress would do a weary public a huge favor by passing it now, returning to unfinished business later on. A special burden falls on the balky Senate Democrats who, if all vote no, will torpedo the bill. Not one of them advances a sufficiently riveting principle to justify a negative vote. But their obstinacy could damage the economy and the vitality of

their party and its leadership. The compromise budget cuts deficits by almost \$500 billion over five years, primarily by raising taxes on families earning more than \$100,000 a year and raising taxes on everyone else by less than a dollar a week. It would cut defense spending by about \$100

billion and Medicare by about \$55 billion. The conferees did not preserve many of Mr. Clinton's investment initiatives because, to reach a compromise that could get past Senate Democrats, they scrapped his \$70 billion broad-based energy tax and adopted instead a Senate-passed gas tax that would raise only \$20 billion. The conferees made up the difference responsibly — by chipping away at but not eviscerating the president's programs to provide new money for low-paid workers (including, for the first time, those without children), families on the verge of breaking up, childhood immunization, food stamps and economic development for urban slums.

The conferees made several unwise decisions. In a triumph of petty bookkeeping over economic good sense, they chose to impose more taxes this year, when the economy is limping along, than the Senate had proposed. They also approved several "temporary" tax breaks even though they know that Congress will almost surely extend them when they expire. Under the budget rules, that means Congress will then have to find offsetting

spending cuts and taxes.

Finally, the proposed "cuts" in Medicare are essentially disguised tax increases. Congress would not cut benefits for retiress but would reduce reimbursement for doctors and hospitals, which will be expected to make up the loss by raising fees for their non-Medicare, mostly middle-class patients.

The plan is not, contrary to Mr. Clinton's claims, a first step to a "national economic strategy." It is deficit reduction, pure and simple. But it would impose the burden of reducing the deficit on those most able to afford it. And it is far better than anything its opponents in either party have offered. -THE NEW YORK TIMES.

### Managua Must Take Hold

Violeta Barrios de Chamorro's gamble on rebuilding Nicaraguan democracy in partnership with the Marxist-oriented Sandinistas, whom she had defeated in elections, blew up on May 23, On that day an explosion in Managua brought to general knowledge an arms cache and international terrorism center that the Sandinistas had set up when they governed and had then hidden from their successors.

In the debris were a guerrilla arsenal with 19 surface-to-air missiles, documents detailing a kidnapping ring directed against Latin millionaires, and bundreds of false passports and identity papers. The disclosure showed the final folly of Mrs. Chamorro's effort to bring in the Sandinista Humberto Ortega as minister of defense in the name of "reconciliation." It also rendered politically untenable any further American support while Sandinistas wield unearned and unaccountable power.

An angry U.S. Senate last month voted down virtually all forms of economic aid to Nicaragua. A crisis of governance in Managua bad already undermined Mrs. Chamorro's effectiveness and brought renewed armed strife. Even many senators who had earlier argued for a negotiated rather than a punitive approach to buman rights and property differences with Nicaragua supported the aid cutoff. Now the issue moves to the House. It cannot support aid unless Nic-

aragua moves firmly to subordinate the military to civilian authority. The Sandinistas still control the military and the intelligence operations, regarding these as arms not of state power but of their party's power. This profound abuse must end.

To end it will require Mrs. Chamorro to turn out those who have betrayed the national trust and to reach to the democratic parties that supported her election but then found themselves frozen out. A leader who has shown much bravery, she has some substantial achievements in reordering the economy and reducing the effects of a long civil war, But she has allowed a party to have an army, which it uses to maintain secret capabilities and to run a political police force. If she cannot make these changes, Nicaraguan dem-

ocrats must find another way.

President Chamorro has welcomed international belp in clamping down on any terrorist connections. Discovery of fraudulently obtained Nicaraguan passports at the Brooklyn home of a World Trade Center bombing suspect naturally sharpened American interest. But cooperation with Interpol and the FBI does not go to the basic problem of civilian control of the military. Not at American bidding but to serve Nicaraguan democracy, this is where Managua must turn.

... THE WASHINGTON POST

### The Demjanjuk Case

The "Ivan the Terrible" case bas left a scar on American justice. Whatever evils John Demjanjuk may bave committed as a Nazi guard, the investigation that sent him from Cleveland to Israel for a war crimes trial was bungled. It is unlikely that Israel will conduct another trial. Thus the only effective way to restore order and honor is for the Justice Department to bring Mr. Demjenjuk, who was acquitted of the most serious charges against him, back to the United States to determ ne his ultimate home and citizenship.

The Ukrainian-born autoworker was accused a decade ago of being the sadistic guard.
"Ivan the Terrible" of Treblinka, the death camp in Poland where nearly a million Jews were exterminated. He was stripped of his American citizenship, held deportable and extradited for a murder trial in Israel, where he was convicted and sentenced to death.

But new evidence from Soviet Union archive persuaded Israel's highest court last week to acquit Mr. Demjanjuk of the Treblinks charges. The U.S. Court of Appeals in

Ohio now wants him brought back while the judges reconsider their own orders in the case. The judges probably lack the power to order the Justice Department around, but Attorney General Janet Reno should take the hint and bring the prisoner back.

As both American and Israeli courts have said, Mr. Demjanjuk is no innocent. There is strong evidence that he stood guard at Sobibor. another death factory, and lied about his whereabouts during World War II to gain entry to the United States. That is enough evidence. independent of the discredited Treblinka charges, for denaturalization and deportation.

The trouble is that these charges have become so enmeshed with the "Ivan the Terri-ble" mix-up that the process has to be done over, cleanly. The government should have an interest in new proceedings that are universally perceived to be fair and thorough. Its own credibility in future war crimes cases is at stake. Attorney General Reno needs to cooperate fully in cleaning up this case.

- THE NEW YORK TIMES.

#### Other Comment

#### Muscles Flexed Over Bosnia

Begaia's crisis bas at last brought the United States and its European allies to the verge of action. The NATO agreement to plan for air strikes, subject to UN approval, has for the first time the appearance of a credible threat to continued Serb aggression.

It is tragic that international muscles are being flexed so inte that they have to assume a military rather than a diplomatic form. It is establial that whatever action may be undertailed has the full and prior agreement of the Security Council.

The design of the second secon

But this is truly the last ditch out of which there is only one chance left to extricate what survives of Bosnia and what remains of Eu-

ropean credibility. - The Guardian (London).

This is not the first time that Washington has brandished the threat of military intervention, and one must take note that these warnings have bardly impressed the Serbs' leaders, who have tranquilly pursued their territorial conquests. A military intervendon should have been carried out more than a year ago. - Le Monde (Paris).



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### It's Time to Renew the European Vision

M AHON, Minorca. Spain — There is an ugly tone of satisfaction and even smug antici-pation in reaction to last weekend's display of European Community monetary troubles. The premature obituaries of the European Union pledged in the Maastricht treaty sound delighted to find not only that Europe is having a hard time getting itself together but also what is taken as evidence that it never will.

The selfish sovereign state shall ever reign 51preme, these Euroskeptics say, and they are by no means only British. Nationalism is rising everywhere, and they take this as the natural order of

There is very good reason to be ultra-sensitive to the sort of extremists who did so much harm in the past.

things. So must the feudalists have thought when nation-states were aborning and endless wars were seen as the natural order of human affairs.

There was widespread applause in Germany for the Bundesbank's refusal to lower interest rates, which provoked the latest crisis. Putting the Federal Republic's immediate concerns ahead of the longer-term goal of cooperation, using the current position of strength to force partners to share the vastly expensive burden of mismanaged unification, was considered sensible self-defense. Recriminations, with some justification on all sides, darken the atmosphere and will make it that much harder to find common ground when

the next crisis comes, as it will. There is always

themselves for any reason.
When Japan invaded Manchuria

in 1931, the Hoover administration decided that its options were severe-

ly limited by American isolationism,

the Depression and Japanese naval superiority. But Secretary of State Henry Stimson announced what be-

came known as the Stimson doc-

trine. He informed the world that

the United States would not recog-

nize any political or territorial change made by force. Such "spears of straw and swords

of ice," as the Chinese say, could not

save China. But they influenced the League of Nations, which con-

fought as allies against Japan. The State Department applied the

Stimson doctrine to Moscow's 1940

claim that the Baltic republics had

joined the Soviet Union. Even after

Stalin became a U.S. ally against Hitler, and when London begged

Washington to recognize the new

Soviet borders to please him, the United States refused. Despite peri-

ods of detente after Stalin's demise.

U.S. government maps always pointed out that Washington did not

recognize the Baltic republics as

In 1986, the U.S. ambassador in

Moscow, Jack Matlock, made the same point - in Latvian - to a

conference in Riga. The United

States never closed the Baltic lega-

tions, which were still functioning

when the Balts regained indepen-dence in 1991. President George

Bush waited until the collapse of So

viet power in Moscow to recognize Baltic independence, but the United

States upheld an important point of

The Balue parliaments "request-

ed" to join the Soviet Union in 1940 after the Red Army arrested opposi-

tion forces and organized elections

with just one state of candidates. In

Sarajevo there is not even a facade

of support for partition. The multi-

organize the state of Bosnia-Herze-

international law for 51 years.

part of the Soviet Union.

By Flora Lewis

There may be no direct link between the rising violence against foreigners in Germany. Helmut Kohi's government thought would ease strains, and the banking community's satisfac-tion with putting the mark über alles. But both reflect an exclusionary, us first kind of nationalism that, history shows, can feed on itself to

what is going wrong.

The age-old resort to using Jews, and Gypsies, as scapegoats is on the rise not only across Eastern Europe and Russia but also among some groups in the West as well. The red-brown connection in France is still marginal, of course, but Le Monde is right not to bold off until the eathers weight. There is very good reason to be

some kind of crisis ahead, and the options for dealing with it narrow as it looms unresolved. Bosnia is the moment's example.

even after the new restrictive asylum laws which

cataclysmic intensity.
In France, Le Monde has made energetic efforts to expose the new "red-brown" alliance, a label taken from contemporary Russian politics where Communist and ostensibly anti-Communist totalitarians find common cause in opposing liberal, democratic reforms. The joint appeal is to emotional, narrow-eyed national-ism. In time of troubles, it is easy to find some "other," some alien conspiracy to blame for

gathers weight. There is very good reason to be ultra-sensitive to the sort of extremists who did

so much harm in the past.

The collapse of Communist power, far from bringing the "end of history," has unleashed the old demons of history. This is evident in the East, but the West is not immune from the dangers.

The success of the European Community, bringing prosperity, reconciliation and a new sense of what Easterners enviously came to call "living in a normal country," had a lot to do with the end of Soviet dominion and threat. The club has acted as a powerful magnet drawing people not only to seek its benefits but to profess its principles.

But the magnetic field can be reversed. If the West loses its compulsion toward unity and

West loses its compulsion toward unity and cooperation as the method of facing problems, it can be drawn back toward the system of rivalries, ancient fends, irrational fight for advantage that are afflicting the East as it stum-

bles toward democracy.

This is a crossroads, a battle to impose the dominant trend. The outcome is not inevitable. Constant choices have to be made to maintain the direction of peace and well-being. Every step in the wrong direction, even minor, makes it that much harder to sustain the extraordinary

task of reforming international society.

It would be a tragic fromy if release from the Soviet menace left the West to sink back into the old, devastating miasma just as the East is struggling to follow its beacon-guide to the way out.

The Brussels negotiators reaffirmed their determination to restore momentum toward unity. termination to restore momentum toward unity even as they made the necessary compromises to keep things going for now. They should be supported and encouraged to keep on track. Nobody can prove whether the future Europe envisioned by Maastricht will become a reality.

or will remain in the category of dreams. No-body can deny that the past from which Europe seeks to emerge was a real nightmare. This is a time to regret setbacks and renew dedication.

O Flora Lewis.

### The World Can't Afford to Allow Gain by Conquest

B OSTON - To recognize the carving up of Bosnia-Herzegovi-By Walter C. Clemens na by Serbs and Croats would imply that might makes right. It would flout govina based on economic regions, not ethnicity.

land inger makes right. It would not that a long-standing principle of U.S. policy as well as any pretense that the United Nations upholds world order. Beginning in the mid-19th century, the U.S. Supreme Court and later the Some Bosnian leaders, however, some Bomian leaders, however, say that they will accept partition to avoid another Thirty Years' War. If they do so, they will have reductantly bowed to superior force. Washington should not dignify the Serbian and Croatian conquests by recognizing them any more than it did Fascist or Soviet expansion as World. State Department denied the admis-sibility of gain by conquest — for the United States or other countries. Latin American states joined with Washington in 1856, pledging not to recognize any territorial change among cist or Soviet expansion as World War II began.

There is a related point especially mportant for Americans. Bosnia-Herzegovina stands for cultural and ethnic pluralism — not unlike the United States, Switzerland or Singa-pore. A mutually tolerant, multiethnic Bosnia-Herzegovina provides an alternative to fanatic ethnocentrism lashed to religious fervor. If Bosnia goes down, all the defenses against religious crusades and intolerance will weaken. Muslims will say that Washington cared more about oil in 1991 than about principle in 1993, and that Americans will resist Mus-lim aggressors but not Christian ones. To be sure, Serbian and Croatian

policies toward Bosnia-Herzegovina can be rationalized, just as Hitler explained his 1938 Anschluss of Anstria and remcorporation of Sudeten Germans as "Home in the Reich." Britain and France winked at the grabbing of Austria even though it was forbidden after World War L London and Paris approved the Sudetenland transfer at Munich. Every case of aggression has its jus-tifications, Serbs can explain that their forefathers were abused by Bosnian

Muslims for centuries. Hitler affirmed his need to free master race kinsmen from Slavic rule. Serbian President Slobodan Milosevic uses every trick that Hitler did: smiles and reason, frowns and threats, fifth columns and frontal attacks. His aims may be more limited, but the ramifications are still dangerous. If the West bows again to Serbian expansion, will this not en-courage Belgrade to test Western re-volve on Kosovo and Macedonia? If so, with whom will Turkey and Greece stand a year from now?

Serbia's expansion is dangerous not just to its Balkan neighbors but also to world order

The writer teaches international relations at Boston University and is a research fellow of Rarvard University. He contributed this comment to The Washington Post.

campaign. Having so successfully bombed North Vietnam into reason

and moderation and good faith, we shall do so again with Serbia.

This time the calibration will be perfect. We shall bombathe Serbia.

so as to induce the Muslims, the

beneficiaries of our bombing to

harden their negotiating position in Geneva in the expectation that, the U.S. cavalry having arrived, they

### Does Clinton See Where He's Headed?

WASHINGTON — Bill Clinton is delivering yet another bombing threat to the Serbs in Bosnia. The demned Japan and urged its mem-bers not to recognize its puppet state Manchukuo. The Stimson doctrine shaped the climate in which the United States and China later good news is that after six months the new administration may be learning how to use American power. The bad news is that it has yet to learn what to

The how is simple: when the United States wants to do something, it must be prepared to go it alone. Oth-

This time, of course, the calibration of the bombing will be perfect.

ers will follow. When George Bush decided to go into Kuwait, he did not send his secretary of state around Europe for consultation and advice. He sent his secretary of state to say the United States was going in and to invite others to join it. They did.

Last May, having learned nothing, Mr. Clinton sent his secretary of state to Europe to consult with the allies about an American plan to bomb the Serbs and lift the embargo on the Muslims in Bosnia. "Lift and strike" was, in my view, a bad idea. But if the president was serious, asking the allies was not the way to go about it.
Predictably, the allies said "no,"

the plan collapsed, and the president - and the country - were embar-rassed. Mr. Clinton looked either naive for not knowing the ways of the world, or cynical for knowing them too well and using the allies as cover to scuttle a plan that he never really wanted to risk anyway. In the ethnic government there wants to end, a much ballybooed threat of By Charles Kranthammer

force turned out to be empty bluff.
Three months later, the administration seems to be learning. On Aug. I, State Department spokesman Michael McCurry said that the United States would move unilaterally, if necessary, to relieve the siege of Sara-jevo. Predictably the president and the secretary of state have since wiggled and waffled. Nonethcless, the initial threat of unilateralism had its effect. Some of the allies were moved to come along with the American plan.
So now Washington knows how to
threaten the Serbs with bombing.

Now perhaps the president's men will ask themselves: Why? The Bosnian war is not just at the endgame. It is at the end of the endgame. The Muslims have lost the war. The Serbs and Crosts collectively con-

trol about 90 percent of the country. In Geneva the victors are prish for a three-way partition of Bosnia. The Muslims would get about 30 percent of the country, about three times what they hold today. On July 30, the three parties agreed to a new consti-tutional arrangement for a partitioned Bosnia. They were then supposed to start working on the map, when the Americans rode in at the last moment threatening to bomb the Serbs.

Why? To break the siege of Saraje-vo, explained the State Department man, and "to make sure that significant pressure comes to bear on the Serbs ... in Geneva."

With this statement we return to that singular, disastrous conceit of the Vietnam War: the finely calibrated, perfectly tuned bombing

can hold out for better terms." It seems beyond the ken of Mr. Clinton's social engineers to under-stand that if you till the scales of a delicate negotiation against one party

you are perforce tilting it toward another, and that this other is perfectly capable of prolonging the war.
One does not have to speculate about such unintended consequences. On Aug. 2, Alija Izetbegovic, the Muslim head of the Bosnian government, froze his participation in the negotiations, demanding that the Serbs besieging Sarajevo pull back first. That the losing party with no cards to play should be making unconditional demands can be attributed either to a kind of diplomatic derangement on the part of Mr. Izet-begovic or to a rational belief that

with the Americans on his side he can demand better terms and prolong the war until he gets them. "Diplomats and officials here," writes The New York Times Paul Lewis from Geneva, "asserted that it was the Chinton administration's renewed talk of air strikes that emboldened Mr. Izetbegovic to withdraw from the talks." And it "encouraged

the Bosnian government to play for time in the hope that the United States, with or without NATO, would soon enter the war on its side." Has anyone thought through the implications of this late entry on the losing side of a civil war? What happens if the Mustims remain intransi-

gent? And what happens if American bombing does not stop the Serbs? I have no doubts about Mr. Clinton's good intentions. But this is rapidly becoming a presidency of good

mions and no road map. Washington Post Writers Group.

### The Need For NATO Remains

By Manfred Wörner The writer is secretary general of NATO.

BRUSSELS — In the last few months there has been a debate in the United States about NATO's al-leged post-Cold War inclevance, with some calling for the alliance's demise and others for its radical transforms. tion. The truth is that we may need NATO in the coming years more than ever, and that the alliance has already

ever, and that the almance has already begun to adapt to a changing world. I confess I am astonished by the logic of those who argue that the West's failure to prevent or undo the disaster in ex-Yugoslavia is a reason for undoing the alliance—as if we were to banish doctors for the persistence. tence of illness, or police for the per-

istence of crime. Yes, perhaps tragedy could have been averted had NATO been called upon at an earlier stage in the crisis. For the fact is that the alliance has For the fact is that the alliance has efficiently executed every mission in ex-Yugoslavia with which it has been tasked — enforcing the blockade-in the Adrianc and the no-flight zone over Bosnia-Herzegovina, and now preparing to protect UN forces in and around "safe areas" with air power.

Yugoslavia is thus a demonstration of NATO's potential, not of its irrelevance, in a Europe that has grown more turbulent in the post-Cold Warera, not less.

era, not less.
Of course, to be used efficiently NATO requires the determination and political will of its member countries.
No influential voice in Europe is calling for NATO's demise—not with the danger of the Yugoslav conflict spilling over the contagion of ethnic, strife spreading across the lands once ruled by communism, the fragility of democratic forces and institutions in those same countries, and the proliteration of weapons of mass destruction, along the European peophery. NATO, remains the primary source of stability and security in such an environment, This is why so many Central and East

European countries are eager to join. For Americans, the temptation, must be great, and it would be under standable, to regard these problems as Europe's and focus on challenges at home. Indeed, it is in the interests of all America's allies that it strengthen its economy in order to maintain its global leadership, as it is in the inter-ests of America that Europeans accept.

a greater share of the risks and respon-sibilities of cross management.

But America paid a heavy price in, succombing to this same temptation earlier in this century, and it was by engaging itself permanently in Europe, through NATO that the United States-helped prevent the occurrence of World War III. Today, NATO re-This time the calibration will be mains the most effective guarantee perfect. We shall bomb the Serbs: against developments which would just enough to induce them to sign gurely bring American troops, at inficon the dotted line, but not too much. Smilely greater cost; back to Europe in

dire circumstances once again. As was demonstrated during the Guif War through NATO's indirect support, it remains the backbone of the West's ability to deal collectively with the multiplying threats and in-stabilities of this new era.

·The real question we face is how to stances, and on this, considerable pro-gress has been achieved. In the past three years we have changed our doctrine and our forces structure to meet the new challenges of peacekeeping and crisis management — at reduced troop levels and expenditures. We are acting, for the first time in our history. beyond the borders of NATO countries in support of the United Nations

in former Yugoslavia. Most importantly, we have moved to project stability into Eastern En-rope and Central Asia by creating the North Atlantic Cooperation Council, which joins our 16 members with 22 former adversaries to consult on security issues, promote military re-structuring along democratic lines, and cooperate in peacekeeping

More needs to be done if we are to extend the blessings of peace, cooperation and stability eastward, and thereby prevent further Yugoslavias. But assuming our responsibilities will not be easy at a time when every member state is facing serious economic chal-lenges, and when our publics would rather equate the end of the Cold War with an end to all danger.

with an end to all danger.

The only hope in these circumstances is leadership of a kind which, more than four decades ago, established the most successful alliance in history. history. In taking the initiative of calling for a NATO summit this year to ent the way forward. President Bill Clinton has squarely placed us before our responsibilities. Four decades from now, history will be the judge of whether and how well we met the call International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

#### 1893: Mystère vs. Mistero sellish motive. We are there to restore

PARIS - The Polish tenor, Jean de Reszke, does not countenance the orthodox view that the Italian language, with its liberal supply of your-els, is the best medium for a singer. He recently declared himself in favor of French, which he thinks more dramatic. You cannot be mysterious in Italian, he says, neither can you be extende. To him there is much more suggestion in mystere with its full roll. than the shrill, coloriess Italian mis-tera. For the old-fashioned roles he thinks Italian is all right.

1918: Stand for Liberty

LONDON - Mr. Lloyd George has addressed to the British people a mes-sage, which was read this evening [Aug. 5] at all the theatres and other places of entertainment in the United Kingdom: "The message which I send on the fourth anniversary of our entry into the war is this: Stand We are not at war for any

liberty to the nations brutally attacked and despoiled and to prove that no people, however powerful, can be permitted to attempt to domnate by the unbridled ambition of militarism, without incurring prompt, certain and disastrous chastisement, on the part of the free na-

#### 1943: Swedes Halt Nazis STOCKHOLM - [From our New

York edition:] With 400,000 Swedish troops alert for any German retains tion, the Swedish government an-nounced tonight [Ang. 5] that the transportation of German soldiers to and from Norway through Sweden. will be halted Aug. 20. The movement of German war materials through this neutral country, a time of year old practice, is to cease Aug. 15. The move came at a time when Germany is suffering reverses on three fronts, in Russia, Sicily and the air war over Europe.

### Remember to Prosecute War Criminals

N EW YORK — The rewriting of history under way in the current Geneva negotiations threatens to undermine the UN Security Council's objective to create a war crimes tribunal to bring to justice those guilty of atrocities in Bosnia-Herzegovina.

How is it that Serbian war criminals accused by the State Department. Annesty International and Helsinki Watch of direct responsibility for brutal crimes have become recast in the role of peacemakers? I have in mind, among others, President Slobodan Milosevic of Serbia, Radovan Karadzie, head of the Bosnian Serb rebeis, and General Radko Miadic, commander of the

Bosnian Serb forces. The transformation is fictional, for "ethnic cleansing," genocide, massacre, torture and systematic rape continue even now under their direction. The purpose of this recasting of characters is to conceal a evnical response to the crimes inflicteo or Bosnia-Herzegovina.

Some powers — especially Britain and Russia — charged with creating an environment hospitable to a just and durable peace have acted with the ill-considered expediency expected from the producers of an overbudget grade-B movie. Unwilling to face up to the ever

increasing costs of the ageressors' ac-tions, they have directed a hasty, incoherent and nonsensical ending to the story. A war of genocidal aggression has been rewritten as a civil war. Like the scenes littering an editing studio, evidence of brutal war By Muhamed Sacirbey The writer represents Bosnia at the United Nations.

crimes has been swept from view. The spoils of aggression have been legitimized and accepted.

The real situation is illustrated by an order by the International Court of Justice at The Hague, in response to a complaint by Bosnia-Herzegovi-na, On April 8, it told Serbia's leaders to ensure that their forces in Bosnia do not commit genocide.

The international community's continued appeasement of these politicians will only increase their sense invincibility and exoneration. Bosnia-Herzogovina, meanwhile, will feel an even greater sense of abandonment, and it will lose confidence in any solution originating in the West

One reason why the Security Council voted on May 25 to establish a war crimes inbunal was to deter atrocities. We should question the judgment of anyone in the peace process who would undermine the prosecution of violators of the Geneva Conventions and Protocols and the Genocide Convention

nestied, so any betrayal of justice in Bosnia-Herzegovina will be achieved by weakening the tribunal, especially n its prosecuting function. For it is the prosecutor who will be responsible for bringing charges against the defendants, not merely

for developing the case. Consequent-

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Violations cannot in theory be am-

ly, the prosecutor must, in the best American judicial tradition, be inde-pendent of political elements that may prefer expediency to justice. If the tribunal is to function properly, it must have sufficient financing and staff and its authority to appre-hend and punish those found guilty

must not be interpreted so narrowly as to render its verdict meaningless For Bosnia-Herzegovina, and the former Yngoslavia as a whole, war crimes trials are essential for any reconciliation. They will deter old Communists and new fascists—frequently one and the same - from using ethnicity as a weapon against

a pluralistic society.

More immediately, if we are to encourage the more than 3 million displaced persons to return to their homes and not become a bitter class of permanent refugees, those who brutalized them must not go unpunished. Who would return to a territory controlled by those who murdered and raped his family?

If the war crimes tribunal is a travesty, the victims will take justice into their own hands, setting off a cycle of revenge and counter-revenge. By prosecuting the guilty, we will exonerate the innocent. The entire Ser-

bian nation does not deserve to bear

the stigms of genocide and other hei-nous crimes committed in its name. The connection between impartial justice and a sound peace is overwhelmingly clear - so much so that we can assume that those who would frustrate one fear the other.

The New York Times,

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### President Hobson's Deficit Offer

WASHINGTON — Thomas Hob-W son ran a rent-a-horse agreed for the hard-riding scholars of Cambridge, England. His system was not customer friendly: Renters could take only the next available horse, thereby saving wear and tear on the more popular mod-els. This led the poet Thomas Ward to com a phrase in 1630: "Where to elect there is but one 7 Tis Hobson's choice

Bill Clinton adopted Hobson's style in his Oval Office address the other night. "Now there are only two choices: your plan or no plan." He then zapped

#### By William Safire

That explains the tinkering and comromising: President Clinton's initial leftward lurch has been modified to Congress's leftward lean. We are now down to the short strokes, and Democratic leaders are pretending that it's all or oothing. That is unreal. If a further adjustment in the "final" plan is needed to win a handful of votes in the House, the speaker has the leeway in make yet one more deal. If Secator Dennis DeConcini refused in fall on his

Whatever Democratic budget ultimately passes will be "our plan" and be declared a famous victory.

opponents of the Democratic plan as sword against the interests of retirees in "guardians of gridlock." (I would have Arizona, the majority leader could find added an alliterative advance adjective. "grim," to convey the full natteringnabobs-of-negativism flavor, but speech the oew Democratic hero. writers today are more restrained.) To paraphrase Yogi Berra, it's nor There it is, my recalcitrant fellow

Democrats, says President Hobson: Pass the leadership compromise or pass nothing. And if it a to be oothing, then the deficit and interest rates will soar and the stock market and the sky will

But that is not the way the world of Washington works. Reality check: Victorious Democrats decided to put forward an economic plan all their own, with tax increases starting back before the inauguration and promised reductions in the planned increases of spending starting three years out (un-less something comes up). Because this is the opposite of what most voters want, Democratic leaders found it hard getting a tax-oow, maybe-cut-later plan through the Democratic Congress.

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FARMER CLINTON AND THE

DEFICIT-REDUCTION EGGS

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Arizona, the majority leader could find a new concession to win him over; if not, some special, last-minute legisla-tive seduction could make Sam Num

over because it's never over. If the im-possible happened and the "final plan" were defeated on Friday, a new "final, final" plan would surely emerge next week or oext month. Don't be fooled by the outrageous "our plan or no plan"; Hobson doesn't

live here anymore. Whatever Democratic budget ultimately passes will be "our plan" and be declared a famous victory. With that firmly understood, it was a pleasure to see the president make a prime-time speech from the Oval Office, the opposition leader make a serious rebuttal, and the octworks carry it all and the best oewspapers print the texts. Gridlock, shmidlock; that is de-

mocracy in action. Note that I just wrote, and you just

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read, "the president," meaoing Bill Clinton, without straining. Oval Office addresses, like East Ronm news conferences, do what talk shows and town hall rables cannot do: confer the ineffable heft of presidentiality on a politician. The president sat there and quietby sought in persuade in an organized fashion, growing in stature before the

nation's eyes. No, be should oot have aped Ross Perot in using the pitchman's charts; yes, he needs in learn bow to modulate his voice and change his pace. But the speech was a creditable effort and his elivery has markedly improved.

Bob Dole's "four nos" were as oega-

tive as a series of nos usually are; the gallant rear guard must not let itself turn into the Old Guard. The Republican strategy - to let the Democrats squeeze their own juice and stew in it - is aimed at winning the Senate in '94, but cannot suffice for reclaiming the White House in '96. In coming rebuttals, the party sbould showcase Kemp, Alexander, Cheney, Wilson, Weld and other ont-oftowners with nos in newer clothes.

The Democratic plan is quick to tax and slow to cut. That is a mistake liberals are born to make. For conservatives, the alternative is not to accept Hobson's choice, to say "O.K., then, no plan at all." Instead it is to say: "You guys won the election. Now fix your plan to reduce the deficit the way the electorate is ready to accept: Tax a little, cut a lot." The New York Times.

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### The Moment Of Truth on The Deficit

By John D. Rockefeller 4th The writer is a Democratic senator from West Virginia.

7ASHINGTON - This week Congress will decide the fate of President Bill Clinton's economic pack-age. We will know whether we are finally ready to face our deficit demons.

If the measure fails, America's \$300 billion deficit will double within a decade. Twenty cents of every tax dollar will go in pay interest. Long-term interest rates will spike up, bringing higher mortgage and car payments. Stock prices will slump, economic growth will stall, and business investment will dry up in an already withering job market.

Oddly, despite these dire consequences, Republicans and even a few Democrats have thrown up an ever shifting series of obstacles to the president's plan. I want to believe they bave grave, even desperate reasons to risk derailiog the president's start toward economic recovery. I am forced to wonder whether fascination with Bill Clinton's first step has obscured the fact that we have been completely off

course for more than a decade. The entire solution is not meant to lie in this single budget. We can only begin to reverse what has been a 12-year drift toward financial dissolution. Our goal is

progress, not perfection.

A brief conversation with a colleague in a Senate elevator brought it all into focus for me. I urged him to consider the bigger picture. He responded: "All that doesn't matter. What couots is whether it's the right product." I realized then we had become lost in a maze of refracted personal perspectives, hopelessly separated from our original objective.

This is not about a product. It is about a process that begins to repair the damage and pay the debt from more than a decade of national neglect. This was never supposed to be easy. This is not another political painkiller. It is long-overdue and it requires some courage.

honesty Think again of the consequences of failure: investments in decline and almost zero job creation; oew barriers from trade partners who doubt our resolve to change; no oew chance to generate growth; no alternative but draconian meat-cleaver cuts for children, veterans and seniors, Bill Clinton has put his presidency and his political viability on the line. The American people voted for change and said they are ready to shoulder their share. Nearly every Democrat in Congress stands ready to base his or her re-election oo taking the first steps back from the brink.

Today there are a handful of holdouts yet to decide. Fifteen years of looking to someone else, or some other day, have brought us to the precipice. A "no" vote will push us over. The Washington Post.

### 'Write Down as Much as You Can'

P ARIS — Once I spent a year in California, drinking margaritas, reading early feminist literature, watching baseball games in February. studying the history of Kenya during the Man-Man rebellion, discovering the charms of the hot tuh and learning about American diplomacy in the nuclear age. Those opportunities, among others, were provided by a program, now known as the John S. Knight Fellowships, at Stanford University. As a

#### MEANWHILE

former fellow, I am on the mailing list, which is why I received this letter.
"For the class of 1990 this year's reunion was both painful and satisfying Painful because it brought back so acutely the loss of our colleague. Egon Scotland, killed while covering the war in the former Yugoslavia in July 1991. And satisfying, because at the reunion we were able in announce that the fellowship in ethnic and na-tionalist conflict we have been work-ing to establish in Egon's bonor will bring its first fellow to Stanford in the next academic year. So far, we bave raised \$32,000, enough to fund a fellow's study for one quarter for each of

the next three years ... "Our hope is that this new fellowship will help give our profession more journalists who seek in achieve the standards set by Egon Scotland. That is, professionals who cannot be duped by one side or another because they By Samuel Abt

know the history, language and culture of the region they cover.

Our immediate goal is to raise enough money to fund the program through the end of the century."

For those former fellows, like me. who didn't know Mr. Scotland, a re-porter for the Süddeutsche Zeitung in Munich, and even for those who did. the letter continued with a tribute to him from a classmate, Cole Campbell:

Walking around campus today, I remembered Egon — his ever present black vest, tousled hair and sly grin. I remembered him working on his metal sculpture at the Student Machine Shops: debating Germany's future in the coolerence rooms at the Hoover Institution; playing Christmas carols on the piano ...

I talked to Egon once in the year after our fellowship — at 2 A.M. Munich time, when a half-dozen of us at a

mini-reunion in Washington called him up. He was awake and writing . . . "He was a man of ideas, imaginatioo and action. He wielded a disci-plined intellect; be studied Balkan history and Serbo-Croatian while at Stanford. He moved among the people he wrote about ... He got to know the Kurdish refugees fleeing the Gulf War and the Serbs and Croats caught

up in a civil holocaust.

"He cared about his colleagues. At

the time he was killed he was out searching for a younger, less experienced colleague. He was killed July 26,

1991. He was 42.

"At the time of his death, Egoo was doing the best work of his career.

When he was found, there was in his pocket a photocopy of this poem in English, written by Slavko Bronzic of the inwn of Osijek."

To the Reporter Wrue down as much as you can,

my friend. but report to the world not only number of the people who got killed, on the golden fields of Slavonia Because a number has no name and no stolen future. Report to the world

ii was Johann and William. and Victor and Francesco, and Gabriel and Gyorgy who got killed, and that maybe tomorrow you will get killed, too. Write down as much as you can,

my friend, but report to the world not only the number of all who got killed on the bleeding fields of Slavonia.

The tribute continued: "Thirty-six journalists bave died covering this conflict. We want you to know that one of them was one of us ... International Herald Tribune.

#### LETTER TO THE EDITOR

#### Africa and the IMF: In Defense of Economic Correction

Regarding "To the World Bank and IMF: Africa Has Its Own Agenda" (Lei-ters, July 1) from Hassan Summonu:

The writer, socretary-general of the Organization of African Trade Union Unity, suggests that World Bank and IMFsupported ecocomie adjustmeot programs in Africa have increased African indebtedness and poverty. This assertion flies in the face of the evidence wherever these programs have been car-

ried out in a sustained manner. It also ignores the fact that the pace of progress achieved has varied across countries, depending on the nature and the severity of the pre-existing economic conditions, the effects at times of unfavorable external developments (such as worsening terms of trade and drought), and domestic political realities.

Mr. Sunmonu calls on the IMF and the World Bank to abandon their "anti-people and anti-development programs," accept the rights of all countries to formulate their own development plans, give to African governments sovereign authority over their economic policies, withdraw all experts from African central banks and finance ministries, and compensate African countries for the harm done them and

write off their debts. Such extreme views ought not to go unanswered.

IMF-supported macroeconomic and structural adjustment programs aim at helping countries attain higher growth. lower inflation and improved balance of payments and external debt positions. In most cases, the IMF is called upon for assistance when economic imbalances hecome very severe and growth has slackened, or even turned negative.

In assisting member countries to develop policies to restore economic health, the IMF is, together with the World Bank, helping them direct public spending away from nonessential or unproductive uses, including excessive military spending, to social, infrastructural and other priority needs. It is only through successful stabilization of their economies and determined structural adjustment - to expand supply capacioes that countries will eventually generate resources to promote development and reduce poverty, strengthen debt-servicing capacities and withstand external shocks.

Because the IMF is fully aware that adjustment policies may have temporary adverse effects oo some of the poor, it is helping countries design social safety oets and otherwise formulate targeted social

programs to assist the poor during periods of adjustment. It takes great care in tailor its macroeconomic policy advice in the individual needs and circumstances of each member country. At the request of several African member countries, the IMF has assigned a small oumber of resident representatives and technical experts in specific areas.

The IMF currently has committed more than \$4 billion under its concessional loan facilities to 30 African countries. IMF loans are drawn from a limited revolving pool of funds, and are made available temporarily to countries in balance of payments needs. If loans were written off, the pool would contract, with the risk of depriving other countries in need - many in Africa - of IMF financing.

I certainly share Mr. Summonu's disappointment at the slow and uneven pace of economic progress in Africa, While those countries with records of determined implementation of strong reform policies have shown progress on growth and infla-tion, there is indeed a long way in go. Far too many of the countries that have embarked on programs of economic correction have let them slip at the first hurdle. MAMOUDOU TOURE, Director.

African Department. loternational Monetary Fund.

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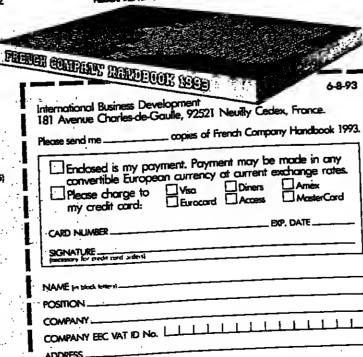
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### The Eccentric in Architecture

By Roderick Conway Morris
International Herald Tribune

ONDON — 'You can't set out to build a folly," said Gwyn Headley, president of the Folly Fellowship. "A house, a school, a courch, yes,
but a folly? Never. Why? Because a folly is in the eye of the beholder — it's up to other people to decide whether a building is a folly

Headley was speaking at the Folly Fellowship's headquarters on the top floor of a spacious Victorian house in a leafy corner of north London that commands a stunning panoramic view of the city. Headley, now 46, began taking a precocious interest in Britain's numerous ecceptric and oddball minor buildings as a child, and later started roaming the country in his spare time in search of them. The eventual result was "Follies," a guidebook coauthored with another devotee, Wim Muelemkamp, and the founding five years ago of the Folly Fellowship — dedicated "to ago of the rolly renowship — dedicated "to preserve and promote the enjoyment and awareness of follies, grottoes and garden buildings" — which now has 1,400 members scattered across the globe.

The fellowship publishes a handsome, entertaining and suitably slightly off-beam quarterly magazine, runs an annual competiquarterly magazine, runs an annual competi-tion for measured drawings of follies and bas built up an impressive photographic archive. The 18th-century Grand Tour and the rise

of landscape gardening. Headley said gave an enormous boost to the construction of a plethora of strange and peculiar buildings on English country estates, many of them in-spired by fanciful structures and grottoes encountered by travelers in Italy or glimpsed in the pastoral landscapes of cootemporary painters. Indeed, the 37 garden buildings at Stowe, ranging from Greek temples to Gothic ruins, came to constitute a microcosmic Grand Tour that could be undertaken without even leaving the house's grounds.

"So, although we might regard them as

follies now, they were actually built with a serious philosophical and architectural pur-pose in mind," said Headley. "Equally, many landowners built follies to relieve unemploy-

landowners built follies to relieve unemployment, simply to give their workers something to do in periods of slump."

Others had totally dotty origins, such as Mad Jack Fuller's "Sugar Loaf" in East Sussex. "Fuller," said Headley," was a man who couldn't abide being contradicted. One night he bet his dinner guests £100 that he could see be bethis dinner guesis £100 that he could see Dallington church spire from his house. When he opened the curtains the following morning he discovered, of course, that he couldn't. So he immediately set about building a replica of the top of the spire on the ing a replica of the top of the spire on the intervening ridge." (This splenetic antocrat had himself buried in pharaonic style, in a pyramid furnished with a roast chicken and a bottle of port.)

Less whimsical in its inspiration, but recently less himser in its evention is ludge.

scarcely less bizarre in its execution, is Judge Peterson's Folly at Sway in the New Forest in Hampshire. This 13-story, 218-foot (66-meter) tower was put up by Peterson in the 1880s to investigate the possibilities of concrete as a

building material. Recently saved from ruin and converted into comfortable lodgings for guests, the tow-er is now billed as "the world's tallest Bed & Breakfast," and is, in fact, for sale for a million guineas (not pounds, a dull denomi-

nation generally eschewed by Folly folk).
Folly building has often proved ruinously addictive to those infected by the bug, as William Beckford, author of the 18th-century gothic novel "Vathek" and builder of the fantastic Fonthill Ahbey in Wiltshire coofessed with melancholy self-knowledge: "Some people drink to forget their unhappiness. I do not drink, I build."

More compulsive still, said Headley (who is currently working on a new book on American follies), was Sarah Winchester, heiress to the Winchester rifle fortune, who, convinced that she would expire the moment her house in San Jose, California was completed, went on adding to it obsessively for nearly 30 years



One man's castle, unloved by the city council, in Headington, England.

(construction ceasing only on the morning of

Nor does the desire to create hunatic structures show any signs of abating, Bill Heine, a cinema owner in the Oxford suburb of Headington, for example, decided to enliven his modest terraced house by adding a gigantic killer shark crashing vertically through the roof and — and with local support and a vigorous campaign staged by the Folly Fellowship has

managed to light off the city council's demands that he remove the offending fish. Membership inquiries: The Folly Fellow-ship, 21 Beacon Road, Hertfordshire SG12 7HY, tel.: 081 348 1234, fax: 081 341 0748.

Roderick Conway Morris is based in Venice

and writes for The Spectator and The New

### Great Jam Sessions Past and Present

By Mike Zwerin International Herald Tribune

ICE — In case you hadn't no-ticed, jam sessions are back. The renaissance can be traced back to the late 70s, when a teenage Wynton Marsalis began to re-examine ignored tradition. It was no longer "square" to play "St. Louis Blues" and "Take the 'A'

At more or less the same time, the exploding number of jazz festivals began to book bus loads of musicians, many from different places and styles who did not know each other, into the same hotels. There was nothing to do after midnight. Presto! Piano bars were converted into after-hours joints.

Last month, there was a good opportunity to observe it all in Nice during the Grande Parade du Jazz. If I were a party-pooper, I could complain — I did, I was called a "party-pooper" — about other musicians being charged \$10 for a Diet Pepsi to listen to colleagues play for free. There was no shortage of players, home unsheathed, waiting for their turn. Imagine a metier where professionals line up for the privilege to give away the same item they sold two hours earlier for the highest price they could nego-

The verb "to jam" originated in the '30s and implies a large number of musicians who do not normally play together jammed in a room to improvise on standard themes and chord structures without arrangements, sometimes for a select audience.

Youngsters and big fish in small-ponds vied for the opportunity to prove they could hold their own with world-class veterans. The competitive angle is there, the pressure to play well, to challenge or protect the "title," but mostly jam sessions embody remarkable companderie Eugenbody is easer markable camaraderic. Everybody is eager to share their knowledge and experience.

The "cutting contest," an offshoot, has been compared to a tribal initiation rite. They were duels, jousts. The Battle of the Bands. The drummer Jo Jones threw a cymbal at Charlie Parker's feet during a cutting. contest, suggesting the kid wasn't ready yet. They were like scenes from "The Hustler."

ENORMAN Coleman Hawkins, the jazz Minnesota Fats, was work-ing with Fletcher Henderson's band in Kansas City one night in 1934. Nobody could cut Bean, as Hawkins was known. Ben Webster (with Ellington), and Herschel Evans and Lester Young ("The President"), both with Basic, were all in town. The jam organized around them lasted well into the morning. Hawkins missed the band bus and had to buy his own ticket to fly to the next gig. This may merely be poetic license, but it has been said that Young's "victory" encouraged a generation of teaormen to play like Pres, not Bean.

Jazz-rock fusion guys played their own

material. At the same time, so called "free communication. With the Broadway song form repertoire pushed into the background there was no common vocabulary. Rock and blues jams thrived because everybody knows the blues, and "Honky Tonk Woman" is not hard to figure out. But they were pale inner-tions. "Nobody jams anymore," James,

Farrell feels that femmism's pri-

mary objective as a political move-

ment - equal protection under the

law, as guaranteed by the Four-

teenth Amendment - has been

lost in the "anti-male sexism" of

grievance procedures that guaran-

tee special protections to women

and thus ironically perpenuate the pernicious old stereotype of "wom-an as child." The media, far from

opposing and obstructing femi-

nism, has pandered to feminist

pressure groups and indulged in "a

In brutal, grisly language, Farrell dramatizes the carnage of "male-

one million men, for example, slain or manned at the Battle of the Somme in World War I Men are

not, he insists, the powerful sex but

"the silent sex" and "the suicide sex." They are "disposable," dis-

censable, slaves to higher powers.

Men have sacrificed and crippled

themselves physically and emotion-

ally to feed, house, and protect women and children. None of their

pain or achievement is resistered in

feminist rhetoric, which portrays

Again and again, Farrell demon-

strates that, for all the official talk

about desiring equality, the over-whelming majority of contempo-

men as oppressors and exploiters.

quarter century of male bashing

killing" throughout history

Jam sessions never lost their popularity in Eastern Europe, where it was a political statement just to get together to do it. After a statement just to get together to do it. After a concert by Woody Herman's Herd at the Warsaw Jazz Festival in the late 70s, the Aquarium Club bandstand was awash with Aquarium Club bandstand was awash with a players wanting to fly the Polish Jazz flag, while The Herd needed to blow off steam after reading arrangements all night ising for months. This led to another interpretation of the name, a traffic-jam — say. 12 horns all wanting to play 12 choruses.

Herman's two tenormen Frank Tibert and the Lovano were proud to be staccessors to

loe Lovano were proud to be successors to Woody's "Four Brothers" mystique, which had begun with Stan Getz and Zoot Sims.
All of a sudden, Tiberi shouted: "Grant Steps;" one, two, onetwothreefour," and they tore into this chops-busting breakneck Coltrane tune. They were soon alone with the rhythm section.

At first, jam sessions were based on com-At first, jam sessions were based on common denominator material everybody knew. Duke Ellington wrote "C-Jam Blues" which consists of two notes, sol and do, and means literally a jam on the blues in the key of C. Although Wynton is happy to play welcoming material, he is also capable of lamching into Charlie Parker's fiendish "Donna Lee" without asking if anybody knows it, which he did at 3 A. M. in Nice.

HANKS to jazz schools, such virtuoso vehicles no longer necessarily scare everybody off. You are expected to know them or you have no business being up on the stand. Five guys hopped on "Donna Lee" without losing a 32d note. Being sensitive and aware of the tradition. Wrotom played three choruses and 32d note. Being sensitive and aware of the tradition. Wynton played three choruses and stepped aside. The saxophone player following him, however—the same kind of guy who flashes his lights on antoroutes tailgating you at 170 k's an hour—played 15. (Pity the search bases player) the poor brass player.)

Another night, Frank Foster, who leads the Count Basie Band, began Duke Elling-ton's "In a Sentimental Mood," informing rather than asking other jammers. Jamming rather than asking other jammers. Jamming is a test of will as well as musicianship. The real power lies in controlling the agenda. The first person to think of a tune to play is most likely to play something he or she is comfortable with. Make everybody else as comfortable as possible on your own terms. Otherwise, a coup d'etat is lurking somewhere around the next bridge.

Se we leave George Benson, Chaka Khan, Wynton and Delfeayo Marsalis, Frank Foster and the others playing their hearts out for the joy of it. A good jam was had by all.

■ Simulated sea battles in a hotel
lagoon? Than's what the Treasure Island
ansort in Las Vegas proposts when the
hotel opens in October. They wanted a
"very British feel" and planned to call
one of the warships the Sir Francis Drake. One skirmsh they hadn't anticipated however, was protest from black activists that Sir Francis was a slave trader as Men as a hero, casino executives they needed a new name. One possibility, the Royal Britannica. well as a hero, casino executives decided

#### Rising Sun

Directed by Philip Kaufman.

The opening sequence of "Ris-ing Sun," Philip Kaufman's glitzy adaptation of Michael Crichton's mystery novel, establishes the movie's tone, method and manner. There is a series of grainy, definitely not high-definition television images from a sing-along music video: sbots of wide-open Western spaces and, at the bottom of the screen, looking like subtitles, the lyrics of "Don't Fence Me In." The camета pulls back to reveal a youngish Japanese man standing in a third-rate nightcluh. The man pours his drunken voice and heart into a hand mike. It is dawn but oot in Osaka or Tokyo. It's somewhere on the edge of Los Angeles, a Los Angeles that Crichioo describes in his novel as "a shadow world," a world occupied by faceless Japanese businessmen and their vakuza gangster associates. This is a somewhat remodeled, though

THIS CAR

no less xenophobic remains of Cricbton's wake-up call to America. The film tries to sound the same alarm, but without giving offense. Yet the onscreen "Rising Sun" remains insufferably smue, It still offends.

(Vincent Canby, NYT)

So I Married an Axe Murderer Thomas Directed by Schlamme. U. S.

The translation of a television performer's stardom to the big screen is a tricky business, hut Mike Myers pulls it off in "So I Married an Axe Murderer" by presenting himself as amiable good company. Myers plays a San Francisco writer named Charlie wbo. it seems, has a problem with women. Charlie eventually comes to believe that all of his girlfriends are flawed in some fundamental way. His initial courtship of Harriet (Nancy Travis), whom be spies working as a butcher in a shop.

no surprises

and no

strings

attached.

goes swimmingly. But Charlie's mother has put the idea in his head that there is a young woman on the loose whose modus operandi is to marry innocent men and then murder them on their honeymoon. And when Charlie discovers that Harriet's past overlaps with the killer's, he becomes convinced that she is the axe murderer. In the end, it becomes rather ted watching the filmmakers go through the motions of framing Harriet for crimes that we know she dido't commit.

(Hal Hinson, WP)

Tokyo Decadence Directed by Ryu Murakami.

it is sadly appropriate that the message of Ryu Murakami's film "Tokyo Decadence" should be voiced by a professional dominatrix. Saki (Sayoko Amano), an experienced prostitute, explains to Ai (Miho Nikaido), a relative novice to the

profession, the reason so many Japanese businessmen are masochists. They may have wealth, she asserts, but it is "wealth without pride." The equation of sexual humiliation with a lack of self-respect is the grotesquely overstated premise that drives the movie, which Murakami adapted from his oovel "Topaz." The film follows in graphail the professional assignations of Ai, a Tokyo call girl who works for an agency that specializes in sadomasochism. li "Tokvo Decadence" weren't such a grim film, it might be confused with soft-core pornograpby. The film makes it clear that Ai's clients are all wealthy businessmeo whose erotic fantasies are related to the cruelty and cutthroat competitiveness of the workplace. "Tokyo Deca-dence" is much better at evoking a creepy urban sophistication than at revealing character

(S:ephen Holden, NYT)

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Wesley Snipes, left, and Sean Connery star in "Rising Sun."

THE MYTH OF MALE POWER: Why Men Are the Disposable Sex

By Warren Farrell. 446 pages. \$23. Simon & Schuster.

Reviewed by Camille Paglia

WARREN Farrell, author of "The Liberated Man" and Why Men Are the Way They Are," served for three years on the board of directors of the National Organization for Women in New York City. In his latest book. "The Myth of Male Power," he describes how his career as one of "America's Sensitive New Age Men" skyrock-eted when he endorsed the standard feminist view of women as "enlightened" and of men as "Neanderthals." He received standing ovations, lecture invita-tions, financial rewards.

But, Farrell states, as his position evolved toward one more sympa-thetic to men, the applause died and the money began to dry up. Reviewing tapes from his work-shops and personal appearances. Farrell was troubled by his earlier double standard: "When women criticized men, I called it 'insight,' 'assertiveness.' 'women's liberation, 'independence,' or 'high self-esteem.' When men criticized women. I called it 'sexism,' 'male

rary women continue to avoid haz-ardous, dirty, low-prestige jobs that men take in order to earn a higher chanvinism, 'defensiveness,' rationalizing,' and 'backlash' . . . income for their families. Soon the men were no longer expressing their feelings. Then I criticized the men for not expressing their feelings!"

"The Myth of Male Power" is a quirky book, part confession, part olemic. Its organization, consisting of short passages with blazing head lines and overabundant boldface type, is somewhat awkward, choppy, and repetitious. Systematic argumentation is scanted, and there is sometimes a questionable selective-ness or credulity about historical sources, both present and past.

But Farrell's vices as a writer are also his virtues. His gruff, blunt manner breaks through the decorous white, middle-class conventions and victim-obsessed sentimentality that bave paralyzed establishment feminism in recent years, "The Myth of Male Power" is a bombshell. It attacks the unexamined assumptions of feminist discourse with shocking candor and forces us to see our everyday world from a fresh perspective.

The Myth of Male Power" is a muckraking expose for the '90s. It . uncovers an unsettling pattern of collusion between governmentfunded commissions on women and a coteric of feminist leaders and career consultants who claim

affirmative action programs and and career consultants wo other preferential regulations and to speak for all women. In the largest sense, Farrell sees contemporary gender problems as flowing from our historical transition from an epoch ("Stage I") where survival was the basic issue to one ("Stage II") where commu-nication and cooperation, rather

the kind of original, abrasive, he-retical text that is desperately needed to restore fairness and balance to the present ideology-sodden curriculum of women's studies courses. Despite its technical flaws

than competition, are required. "The Myth of Male Power" is

means not just "equal options" but, "equal obligations," a rejection of the passive role of perpetual victim. Government must not become modern woman's "substitute hus hand." Farrell calls for an end to the blame game and a new stress on

WHAT THEY'RE READING

Camille Paglia, professor of hu-nanities at the University of the Arts in Philadelphia, is the author of "Sexual Personae" and "Sex, Art, and American Culture." She wrote this for The Washington Post.

turity, and self-enlightenment.

personal responsibility, social ma-

and raw inclerance, the book is

filled with stunning insights and

- Farrell is one of many voices

urging a critique and reform of cur-

rent feminism in order to strength-

en it for the 21st century. Equality

 Pasqual Maragall, the mayor of Barcelona, is reading the Span-ish translation of "Exiles" by James Joyce and "Earth in the Balance" by Albert Gore.

"I chose the first because of my interest in Ireland and Dublin after the president of Ireland's visit to Barcelona, the second to try to find out the real commitment of the White House on this fundamental issue." (Al Goodman, IHT)



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By Alan Truscott

HE European Championships, which ended the last week of June in Menton, France, included one American player. Bill Russ, who learned his bridge in New York and now lives in Zurich, qualified to represent his adopted

On the curious deal shown in the diagram, from the Swiss Trials, Russ used Blackwood and then advanced to a slam when two aces were known to he missing. West led the club ace but faced a problem at the second trick. He was sure that South held the spade ace, for no-body, he thought would bid a slam when two aces were missing. Shifting to a spade would damage the defense if East held, for example, K

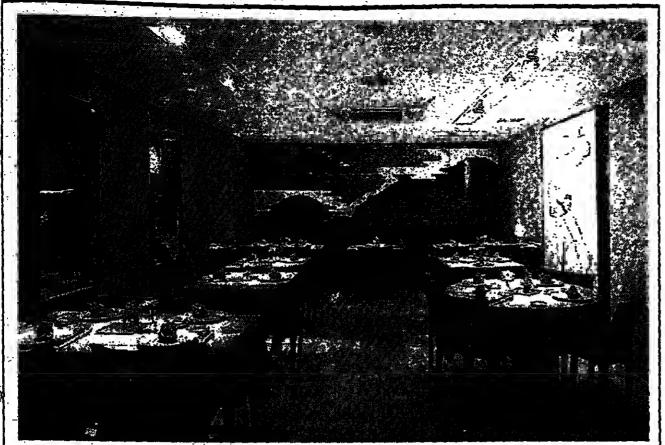
10 xx or Q 10 x x in the suit. So West played a "safe" club at the second trick and was horrified to see South discard a spade, draw trumps and discard all his remain-

ing spades on dummy's hearts. In a low-level game, one would assume that South had miscounted the aces. But Russ was, he says, trying a deliberate experiment with little to lose.

"It was the next-to-last hand in the qualifying weekend," he said, "and I was playing for the carryover in that we were certain qualifiers. It was a good pair, and I was reasonably certain that if the aces were not in the same hand, they would have difficulty believing that I would deliberately bid a slam off

**VAQ1073** WEST EAST SOUTH (D)

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Inside Daini's Table, which Okada opened in 1981: The restaurant specializes in "Chinese nouvelle cuisine."

### Leaner Times in Japanese Cuisine

By Andrea Fornes

OKYO - Daini Okada has served dinners for Prince Takamado, the fashion designers Issey Miyake and
Junko Shimada, the Sony chairman
Akio Morita and even Mick Jagger. What
hures celebrated guests to the table of this 46year-old Japanese restaurateur is food with character.

Dain's Table, the first restaurant that Okada opened after quitting the discotheque business in 1981, serves Chinese nouvelle cuisine. Brasserie D. nearby in the upscale Aoyama District, features French-Italian fare. Over the years, Okada has observed how Japanese taste in food, like that in art and fashion, became Westernized, especially dur-ing the bubble era. But also how the recession led them back to tradition.

"During the late 1980s, Japanese went to French restaurants just to be elegant. They would go even if they didn't like or know how to choose the food or wine," Okada said.

Now, however, even Japanese with money are afraid of splashy demonstrations. "It's not acceptable for ethical reasons to buy a Mercedes-Benz because you must show con-

cern about the economic situation." And just as Japanese are shunning imports of cars, his ensumers are ordering domestic

beer instead of European wines. Japanese cooking, which uses — and abuses — soy sauce, doesn't mix well with wine, the restaurateur noted.

The economic downturn is only revealing the truth about Japanese gastronomy, he said "I believe Ispanese never really appreciated French crisine. Seafood that pleases the Japanese palette must be raw and without heavy sauces - not exactly the French recipe" At the same time, it's obvious from watch-

ing Japanese diners struggling with fork and knife that the complications of French cuisine present another problem.

Italian food, however, is easier for them

because pasta takes the place of the noodles common in Oriental cooking. "Italian food is lighter, cheaper and more casual." Okada's taste for French cuisine was acquired. He moved to Paris in 1969 to study film and theater at the Sorbonne; but be

next three years working in restaurants and His latest venue, Horizon, is a reflection of leaner times. A family restaurant located in downmarket Shinjuku, it serves meals of the sort eaten every day by Japanese, such as soba (buckwheat noodles), spaghetti, hamburgers and siishi. "The meno has no nationality. It's

dropped out 10 months later and spent the

no-genre food," he said. A dinner with drinks costs about 3,000 year

(\$28.50), less than ball what one would pay at Daini's Table or Brasserie D. These two restaurants had sales worth 2.5 billion yen last year, but the number of customers is down 10 percent to 15 percent since January.

To make up for lost income, Okada has begun renting nut these rooms for private functions, usually wedding celebrations, at least twice e month. He also caters for parties at other venues.

Okada has also created concepts for other restaurents that underscore his versatility. They include establishments featuring South American and Japanese izakaya (tavern) cuisine, a collec shop and a restaurant whose menu is built entirely around caviar.

LTHOUGH Horizon is his busiest restaurant, Okada prefers Daini's Table and Brasserie D which he calls "club restaurants." He spends his evenings there, greeting long-time customers and proposing dishes.

"I prefer an adult chentele because tince

they like a place they come forever. Young people are more like butterflies flying from one flower to another and never stopping,"

Andrea Fornes is a journalist living in

### Car Rentals: Wheels and Deals

By Roger Collis International Herald Tribuni

AR rental is a jungle. In a buyer's market, cuthroat competition has created such a bewildering blizzard of rates and special offers that even the seasoned traveler may out always drive the best deals. Yet bargains abound if you're able to plan ahead and know bow and where to shop around.

Rentals can vary from country to country. even with the same firm. The persoo standing next to you at the rental desk may be paying much less for the same car for the

#### The Frequent Traveler

same length of time because it was reserved. say, 48 hours in advance or for a minimum of three days. Pre-paying for rental abroad can save you up to 60 percent on a standard "walk-up" or rack rate (sometimes called the national rariff), often with conditions far less onerous than with PEX/APEX air tickets. Look for cheap weekend rates - collect after midday Friday, return before 9 A. M. Monday. What's more, you may stand a better chance of getting the car you want, or an upgrade if it's out available.

Rental firms do not always make it easy.

What irritates people is when they find the price has just about doubled when all those extras are added up — collision damage waiver (which can run close to \$20 a day); a theft charge as high as \$15 a day in some countries; personal accident insurance, and local taxes, from on tax in Switzerland to 25 percent in Denmark, Sweden and Hungary.

Most of the major firms market what they call "bundled" rates that include unlimited mileage and no hidden extras. This is fine if you want to drive a lot of miles in a short time. But if you're only driving about 60 miles (100 kilometers) a day, a standard "time and mileage" rate may be best, especially if you have a discount. Most business travelers have a discount either through their company or e travel club, of around 30 percent. But always compare your discounted rate with a nondiscountable promotional

rate or business/leisure package.

What you choose is a matter of cost and Elexibility. Major firms offer much the same under a galaxy of names. Hertz and Avis have Business Class; Europear Interrent has Business Drive and Budget has Business Traveler. Leisure deals are worth looking et are Hertz's Europe on Wheels, Affordable Europe (for Nurth America), Affordable USA/Canada/Mexico, Affordable Asia/Pacific; and Europear's Super Drive.

Renting a car from one of the firms with a desk inside the airport terminal is convenient but can cost you up to 30 percent more than renting from the downtown-office or from an "off-airport" firm a short ride sway by courtesy bus.

Big-oame firms have turned to high-tech gizmos as a way of adding value in what has become a commodity market. For example, travelers signing up for Hertz #1 Gold or Avis Preferred Service enjoy priority service. You only have to look for your name and car bay number no the electronic display at the counter, pick up a preprinted rental agree-

ment aloog with your keys and you're away. You may also get an upgrade and a free cellular phone.

If you travel a lot to one city you may want to shop for special deals with a local firm. But if you are traveling across borders it is wiser to rent from a firm with an extensive network, vital if you have an accident or a

Major firms provide noe-way rentals in which you pick up a car in one place and



drop it off in another, both within a country and sometimes across borders. Look out fur drop-off charges. Europear offers one-way rental without penalties between main cities in Europe under its Business Drive program; Budget offers e similar deal in Europe plus One Way USA between 80 airport locations across the country — with nn drop-off charges. One-way rental is a great way to bridge the gap between cities with an open-jaw air ticket (fly to one gateway, return from another). For example, fly to Paris, drive to Milan and fly back from there. Combine business with pleasure and save

Fly/drive programs are always worth looking at Compare the total cost of the airline package with the cost of an airline "(Fly/drive packages are horrible for us: it's very difficult to make any money," says one rental car executive.) Or consider an executive fly/drive deal which allows you a discount if you show your boarding card at the rental desk. BA/Hertz Executive Drive programs apply at 137 destinations, you are guaranteed a car, even without a reservation, an upgrade if the car you booked is not available, a free mobile phone, free pick-up and drop-off at selected points and 100 BA Air Miles.

Car groups often vary between firms and countries. Cars can vary within a group as well. And there's usually less price differential between the cheapest and medium groups than the dearer ones. You may get better value by trading up slightly. (Be warned that most rental companies have few subcompact cars and that you'll have difficulty getting one without reserving ahead.) Savvy renters look for the SIPP (Standard Ioterline Passenger Procedures) code, which helps you make sure you reserve the exact car you want. For example, ECAR designates an economy class, two or four-door, air-conditioned car.

Whatever your deal, always read the small print. Automated executive rental can whiz you through fast. But you may be driving into a legal minefield in some countries. In Greece and Portugal, for example, CDW is invalid if you have an accident while break-ing the law — if only for something like speeding. Nastier still are potential liabilities if you are involved in a major accident in the United States. You may only be covered for a low mandatury legal limit oo personal liability. Traveling to the United States, make sure you buy e "top-up" liability insurance. This will cost around \$6 e day for \$1 millioo coverage. Major firms will uffer you this. Don't treat it as just another come-on.

Read the rental agreement carefully before you sign. If you're charging the rental, see that your discount code is entered in the little box; even if the desk clerk says you're out entitled to e discount, central accounts may allow you one. Insist on having the charges calculated when you return the car. It is the easiest time to ask questions and sort out problems and can avoid endless hassles with the rental firm and charge card company.

#### Decide Before You Rent

Do decide the best deal before you hit the rental desk. This can depend on how long you want the car, and how flexible you need to be. Save up to 60 percent by booking in one country for rental in

#### Read the Rental Agreement

Don't drive away without checking the

car for damage - preferably in presence of

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Don't sign the rental agreement unless you've read it carefully. When charging the rental, see that your discount code is entered in the little box.

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Do check both the airport, off-airport

These may vary by up to 50 percent.

(where you phone to be picked up rather

than go to a desk) and downtown rates.

#### Come-On Ads

Don't be misled by "come-on" ads that quote a daily rate way out of line with the final cost when you add the extras,

#### FUIDE

#### BELGIUN

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Musee d'Art Wallon (tel: 236.094) Th Oct. 31: "Tout Simerion." Manu-scripts, photos, objects, first editions belonging th Georges Simerion, the prolific Belgien-French novellst, whose Peris police inspector Malgret is one of the most famous characters In detective fiction.

#### BRITAIN London

Accademia Italiana delle Arti e delle Arti Applicate (tel: 225.3474). To Aug. 28: "Hurran for the Bra." The brassiers, the brainchild of the Italian event-garde tashlon designer Samuele Mazza, is celebrated with more than 200 works of uplifting art. Buckinghem Palece (tel: 930.55.26). Aug. 7 to Oct. 1: Buck-ingham Palace, principal home of Queen Bizzbeth II, opens to the pubisc for the first time this summer. Tick-ets can be bought for the same day from a ticket office (opening at 9 A.M.), and will give a specific time for entering the palace.

Oxford 278.009). To Sept. 30: " 278.009). Tr. Sept. 30: "Japanese Landscape Prints by Ando Hiroshige (1797-1858)." The landscape woodblock-print introduced by Holussi was perfected by Hiroshige. A different selection of prints will be on show each morth: "Views of famous places in Tokyo;" "The 53 stations of the Toksido Road;" and provincial views from some of the artis's landvs from some of the artist's land-

#### FINLAND

Retretti Art Center at Punkaharjun
"Sat. 57.314.253). To Aug. 29:
Alleve Tobin at Retretti." Tobin's
glass installations, including "The
River," made of millions of thin capillary tubes, contrast with the rock surfaces and the darkness of the man-made caverns sheltering the Art



Variations on the bra: Creations by Giuseppe di Somma (left) and Vincenzo Lauriola at a London show.

Musée Fabre (tel: 67.66.06.34). To Aug. 15: "Grand Siècle: Peintures Françaises du XVIIe Siècle." A wide French artists, Including works by Vouet, Poussin and Lorrain.

Centre Georges Pompidou (tel: 44.78.12.33). To Sept. 28: "Noir Dessin." Abstract drawings by Kasimir Malevich, Frantisek Kupka ot THE MAZENICI, PTATIBLES NUPRE OF VASSITY KANCINSKY, TINK CHEWINGS by Fernand Leger, Picasso, and by contemporary such as Henri Micheux, Pierre Alechtrisky and Plerre Sou-

institut du Monde Arebe (tel: 40.51.38.38) To Sept. 25: "Egypt in the 19th Century: Photographs." Photographs of people, historical sites, monuments and biblical lend-scapes by French and British artists or scientists between 1850 and 1900, in the tradition of the Napoteoric expedition series in the century. pedition earlier in the century.

Pavillon des Arts (tel: 42.33.82.50). To Sept. 5: "Kremegne: 1890-1981." A friend of Chagail and Soutine, Kre-megne left his native Lithuania to settie at La Ruche in Montpernasse in Paris in 1912. The 70 paintings show his unusual use of color and somber

Ancienne Douane (tel: 88.75.10.77).To Oct. 3: "Lee Dubuf-fet de Dubuffet." Works done from

### t943 to t966 including paintings, sculptures as well as ink drawings, goueches, collages by the French

#### DERMANY -Kunst- und Ausstellungshalle der

Kunst- und Ausstellungshalle der Bundesrepublik Deutschland (lei: 91 71 201). To Oct. 10: "The Desire to See: The Panorama as a Medium of Mass Entertainment in the 19th Century." Several hundred works, projections and installations from 12 countries illustrate how the Invention of the 360-degree panorama picture transformed waving habits and how the panorama rotundas and viewing cabinets for diarrams and cosmoracabinets for diaramas and cosmora mas were in fact the forerunners of film, television and videos.

#### IRELAND

Duhlin Douglas Hyde Gallery, Trinity College (16: 702.1 t.18). To Aug. 28: "Gunther Forp." Features paintings and bronze reliefs by the German painter as well as large-scale blurred, unreal photographs, all exploring the integrity of the art object.

#### ITALY

Terme di Caracalla (tel: 48.18.01)
Third Music Festival, including pertormances ol Verdi's "Aida" (Aug.
11, 13, 19, 21) and Puccini's
"Tosca" (Aug. 10, 14, 18, 22).

timane Musicali di Stresa (tel:

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en concerts including a Tct sky program, with Yehudi Menuhin conducting the London Royal Philharmonic Orchestra and Riccardo Muti conducting the Orchestra Filhar monice della Scala in a Ravel. Brahms and Busoni program.

rental staff.

#### JAPAN

Kyoto The Museum of Kyolo (Iel: 222.0888), To Aug. 31: 'Via Orienta-lis: Portugal and Namban Culture." This exhibition shows the route followed by Portuguese discoverers and their contacts with the local cul-tures of the western coast of Africa. the Cape of Good Hope, Goa and Malacca, before they reached Japan

#### NETHERLANDS

Gogh Museum 570.52.00). To Oct. 3t: "Courtesans In Jepanese Prints." Courtesans served as a central theme in 18th-and 19th-century prints. This show focuses attention on van Gogh's col fection of courtesan prints and their influence on his work.

Fundació Joan Miró (tel: 329.1908). To Sept. 10: "Joan Mirti 1893-1993." Features 180 paintings and 300 drawings produced by Miro between 1914 and 1980. Miro's artisic development can be followed from the influence of the Cubists and the Fauves to his Surrealist period, and his quest for new means of expression through collage and as

#### SWITZERLAND - wiegnne

Fondation de l'Hermitage (tel: 20.50.0t, daily). To Sept. 26: "Claude Monet and his Friends," Works painted by Monet in his Normandy house at Giverny between

310.950). Aug. 29 to Sept. 16: Six- 1883 and his death, and inspired by built there. Luceme

> 23 42 72). Aug. 14 to Sept. 8: Symphony, sacred, choral and chamber music concerts, including perfor-mances by the Bolshoi Symphony Orchestra, the Wiener Philharmoniker, Jessye Norman and Radu Lupu will perform in recitals, and Wolfgan, Sawallisch, Claudio Abbado and Daniel Barenboim will be among the many guest conductors.

#### UNITED STATES

San Francisco

**New York** 

Metropolitan Museum (tel: 570-39-51) Through Oct. 1: "Nudes: A Se ection from the Bequest of Scolleld Thayer." Images of the nude, ranging from the chaste to the erotic, in drawings, prints and one sculpture. The collection was assembled by Thayer, co-cover and editor of the literary-and magazine The Dial in the sarly "20s. While in Vienna as a patient of Sig-mund Freud, he acquired watercoi-ors and drawings by Klimt, Schiele and Kokoschka, among others.

Sen Francisco
The Fine Arte Museum (tel: 750.3614). To Aug. 22: "Viewpoints XX: Louis Comfort Tiffany." More than 80 works by the painter, craftsman and philanthropist. Tiffany experimented with glesswork and means of coloning, and became famous for Favrile glass which, often combined with bronzelike alloys, produced indescent and freely shaped duced indescent and treety shaped

Corcoran Geliary of Art (tet: 638.3211). To Aug. 22: "Fable and Fantasies: The Art of Felix Lorioux." Drawings and watercolors by the French children's book illustrator rcolors by the spanning the artist's 70-year career.
National Gallery (tel: 737.4215). To
Aug. 15: "Drawings from the D'Neal
Collection." Featuring 60 drawings
dating from the 16th to the 20th century by artists such as Bassano, Romney, Rowlandson, Dore and



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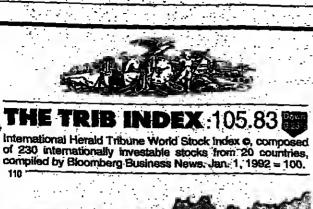
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#### **WALL STREET WATCH**

#### **ADR Market's Expansion Could Bring Lower Prices**

By Susan Antilla New York Times Service

EW YORK - They're in the headlines, and they're hot. And like every other fashion rage, they can also cost a bundle. But fees attached to international stocks traded as American depositary receipts might actually be coming down — if a new entrant in the ADR business can generate a little competitive price-cutting.

American depositary receipts are certificates for stocks from investors to buy. Traded on the stock exchanges, on the Nasdaq

Business now is

system and on the over-thecounter market's "pink sheets" of small stocks, they offer easy entry into markets around the dominated by a 'cartel,' world for investors who don't have hundreds of thousands of one critic says. dollars to put into a stock. .

A broker in the United States

can, with relative ease, call a trading desk with a small order of ADRs and settle the trade in five days. But all that convenience comes at a price. "The ADR market is

dominated by a trio of New York banks, and they goage you on price, "said Vivian Lewis, editor of Global Investing, a New York newsletter. The Bank of New York, Citibank and J.P. Morgan are

"essentially a cartel" in the business, she said.

But now, the trio is being joined by Morgan Stanley Group, which filed requests this spring to offer ADRs for Deutsche Bank and Siemens AG, followed in late June by a filing to sponsor cartificates of Body Shop, a British-based retailer of skin and hair-

Nicholas Didier, who runs Morgan Stanley's new depositary-services unit, asserted that Morgan Stanley was a "quality player,"

as opposed to a price-cutter.

Ms. Lewis, though, evaluates the impact of Morgan Stanley's entry differently. "Now we'll see some competition in this business," she said. As examples of the current fees, Ms. Lewis said, Citibank kept

18.5 percent of a dividend payment from Ashton Mining, an Australian mining company, and Bank of New York charged 10 percent to convert Thai baht to dollars on another recent dividend A Citibank spokeswoman said the firm was simply covering its

fixed costs on a small dividend. The percentage taken by the bank is smaller when larger dividends are declared, she said. Kenneth A. Lopian, head of ADR services at Bank of New York, said he was not familiar with the details of the dividend payment

See ADRs, Page 14

### **Gold Falls** \$23 as **Asians Sell**

#### Disappointment Over European Rates Feeds Drop

Compiled by Our Staff From Dispatches NEW YORK - Gold prices plunged almost \$23 an ounce on Thursday, the largest one day loss in more than seven years, as Chi-nese gold sales prompted specula-tors to desert the market.

The price of an ounce of gold for December delivery on the Com-modity Exchange in New York tumbled nearly 6 percent from Wednesday's close, to \$380.70, down \$22.60.

Last Friday, the metal hit \$411.30 an ounce, its highest point since the start of the Gulf War, as investors sought a haven from Eu-

rope's currency crisis.
Gold has soared 19 percent since Jan. 1 on concerns about a revival of inflation in industrialized nations; increasing demand from growing Asian economies and

dwindling supply.
Thursday's sell-off started in
London as Australian producers
sold metals to benefit from recent high prices, while Chinese investors

also increased sales.
Gold's numble accelerated in New York as commodity funds, which buy and sell based on price moves, abandooed the metal. Silver also fell, dropping about 9

roent, to \$4.77 an ounce, on the Comex spot market in New York. The Chinese sold an estimated six to 10 tons of gold overnight," said Bill O'Neill at Mertill Lynch. Traders said that Chinese citizens

had been buying gold by the ton in hopes of hedging their savings against double-digit inflation. In addition, dealers and analysts said that U.S. commodity funds were taking profits on their gold futures and options holdings and analysts and options holdings and appuld continues to do countil future. would continue to do so until European countries cut interest rates, a move expected to sharply boost the

sion in Europe's currency markets. to reverse the decision. The analysts also said floor trad-

ers, commission bouses and investors began taking profits on gold Monday as tensions within the exchange-rate mechanism of the Enropean Monetary System began to

the dealers and analysts said.

modity analyst with Redel Trading tumbled so dramatically. in New York. That takes away the

### Grid's Loss Is U.S. Gain **Economic Boost Would Help America**

By Sylvia Nasar

New York Times Service

WASHINGTON—Official Washington hardly wishes to be seen celebrating a difficult and embarrassing moment for European leaders, but quietly, and the chief the Alberta Reported the many oo this side of the Atlantic acknowledge that the collapse of the European Community's currency grid may turn out to be a blessing for the United

States.
"It defused tensions that drove interest rates up in Europe," David W. Mullins Jr., vice chairman of the Federal Reserve Board, said of last weekend's decision. "Better economic conditions in Europe are positive for the U.S. and positive for the climate on trade, including the chances for reducing protectionist sentiment

There is always the risk that rancor over the braking of Europe's march toward a single currency could do wide damage, undermining global trade negotiations. But government officials, economists and executives in America are focusing on the economic and political prospects for reviving growth in recession-ridden countries.

Sir Alan Walters, an adviser to former Prime Minister Margaret Thatcher and now vice chairman of AIG Trading Corp., a subsidiary of the international insurance company, put it bluntly: "Europe now has a chance of coming out of its deep slump. If it's good for Europe, so it's good for the U.S. economy."

Executives of U.S. companies with operations in Europe talk of the prospect of many nations reduc-ing interest rates, which could revive moribund economies and sales.

"This will help Thermo Electron," said John N. Hatsopoulos, chief financial officer of that instrument-making corporation, which is based in Mas-sachusetts. The fact that they'll be able to cut

their rates is going to be a lot of help."

Such optimism increased after the Bundesbank, which touched off the crisis by failing to lower its discount rate last week, reduced its repurchase rates twice this week. The discount rate forms a floor for the German money markets, but the repo rate is used to indicate exactly where the central bank thinks they should be. Both are charged on loans to banks that must post government securities as collateral.

The major prospective danger of the turmoil in the European Monetary System's exchange-rate mechanism — currency swings — may not be as bad as people fear. Executives of companies that would be affected say they have learned to hedge against such fluctuations, and that the swings may not be large ones, as has been true since the agreement to relax the ERM's rules was an-

oounced early Monday morning.

Hans Menhard, vice president of Siemens
U.S.A., commented that "setting free exchange rates may not have as big an impact on actual exchange rates as people anticipate when they read about the 15 percent range," the upper limit agreed

Letting exchange rates find their natural levels,

Better economic conditions in Europe are positive for the U.S. and positive for the climate on trade.'

The Fed's David W. Mullins Jr.

instead of forcing them out of line with individual nations' economie conditions, said executives, might lead to less volatility.

For the United States, which has been hampered by a sluggish, stop-and-go economic recovery, low-

ered interest rates and the possibility of growth in other countries is welcome indeed. Officials expect a mild increase in American exports to Europe as the recession there fades.

But economists and executives also said the recent French-German tension could make it hard for the United States to get cooperation on international undertakings such as the world trade treaty being negotiated in the seven-year-long Uruguay Round of the General Agreement on

See BLESSING, Page 13

### **Currency Crisis Nearly Drained** France's Coffers

PARIS - France all but ran out of cash in its failed effort last week to defend the franc's value in the European Monetary System.

Calculations based on figures re-leased Thursday by the Bank of France showed that France's official foreign-currency reserves had fallen to the equivalent of just 12 billion francs (\$2.03 billion) by July 29, after it had spent 100 billion francs in five days to try to prop up the franc.

Paris-Match magazine reported that Prime Minister Edouard Balladur, in a final bid to protect the franc's value against the Deutsche mark, spoke to Chancellor Helmut Kohl of Germany on the night of July 29 to arrange a secret visit to Paris the next day by Finance Min-ister Theo Waigel and Hans Tiet-meyer, vice president of the Bundesbank.

Earlier that day, the German central bank had refused to reduce its discount rate, the rate at which it lends to commercial banks, despite pressure from France and other European Community members

for it to do so.

That refusal set the currency market to betting that France would not be able to maintain the franc at its former rate against the mark. The French government and others bought francs to support the currency's value and to try to prove

the market wrong.

But in spite of the efforts of French, German and other officials, and in the face of massive currency-market pressure, EC finance ministers met in Brussels

loosened the bands that had bound the franc and other currencies to the mark.

Their agreement allowed the franc, along with the Beigian-Lux-embourg franc, Danish krone, Irish punt, Spanish peseta and Portu-guese escudo, to fluctuate within 15 percent of a fixed "central" rate against the mark and the Dutch guilder. Previously, the two francs. punt and krone were only allowed a range of 2.25 percent above or below the central rate.

The report in Paris-Match said Mr. Waigel and Mr. Tietmeyer arrived secretly at an air base near Paris last Friday and spent two hours at the Finance Ministry.

Finance Minister Edmond Alphandery and the Bank of France's governor, Jacques de Larosière, tried to persuade them to take the mark temporarily out of the Community's exchange-rate mechanism to ease pressure on other currencies, the magazine said. The Germans hacked the idea, but Belgium blocked it in talks over the weekend

Mr. Balladur's office, the German Emhassy in Paris and the Finance Ministry in Bonn all de-elined to comment oo the Paris-Match report.

But official data showed that up to July 29, the Bank of France had spent more than 140 hillion francs on currency-market intervention.

Much of what it spent would have been borrowed, most likely from the German central bank. France did just that in two other

See FRANC, Page 12

### **Big Steel Fights Tariff Ruling**

WASHINGTON - Americao steelmakers, stunned by a federal commission's ruling last week that eliminated many tariffs on imported steel and Gold prices rose 4 percent in two knocked \$1.1 billion off the value of their stocks in 90 days last week, as traders fled ten-

> Led by major companies such as Bethlehem Steel Corp., LTV Corp. and USX Corp., the American steel industry is putting pressure on Congress, the White House and the International Trade Commission.

It wants the commission to vote again on its tariff decisions; is asking the White House to replace a esse following the widening of ERM bands to 15 percent.

The funds, which had remained long in gold, only joined in the International Trade, a federal court in New York, profit-taking bout late Wednesday, this week with the International Trade Commission,

this week with the International Trade Commission, king that independent governmental body to vote markets," said Scott Meyers, com- again Monday because the companies' stocks had

On July 27, the commission ruled that in 42 of 72 reason to drive gold prices higher, the said.

Analysts said prices could continue to fall. The head of marketing ed steel used for construction and machinery.

at Crédit Suisse, Ian MacDonald, said the gold market was in a consolidation mode, "and is likely to continue like this for a few weeks, until the Europeans finally cut rates, whereupon it is likely to jump." (Bloomberg, AFX, Renters)

ed steet used for construction and machinery.

Citing their shumping stock prices, the steelmakers contended in their petition that "the dramatic behavior" of investors on whom the industry depended continue like this for a few weeks, until the Europeans finally cut rates, whereupon it is likely to jump." (Bloomberg, AFX, Renters)

ed steet used for construction and machinery.

A White House official, who spoke on condition of anonymity, said that the administration had taken no position on the tariff ruling and that it did plan to nominate a successor for Ms. Brunsdale soon.

Michelle Galanter Applebaum, a steel analyst for Salomon Brothers, said the American steel industry would be in trouble if the rulings were oot overturned.

New York, LTV was at \$11.75, down from \$14.50 on July 26, and USX's U.S. Steel Group was at \$28, compared with \$36.50.

Paula Stern, a former chairwoman of the commission who now advises American manufacturing companies that rely on imported steel, said that no industry in the commission's 77-year history had ever before sought such a reconsideration.

Current commission members declined to comment

pending a review of the industry's petition.

of the House of Representatives sent a letter this week to President Bill Chinton requesting a meeting with him and asking that he immediately replace Anne E. Brunsdale, the commissioner who cast the deciding vote in 11 of the 42 cases that the industry lost.

In response to the industry's campaign, 60 members

Her nine-year term expired June 16, but the law specifies that a commissioner may serve until a replacement has been nominated by the president and confirmed by the Senate.

The steel industry is likely to refile its new commissioner has been named, said Alan W. Wolff, a former deputy U.S. trade representative who is advising the domestic steel industry. Because of the change in the composition of the six-member commission, such a refiling would then be treated as a new case, rather than a reconsideration of an old one.

A White House official, who spoke on condition of anonymity, said that the administration had taken no position on the tariff ruling and that it did plan to

### Philips Profit Surged 48% in 2d Quarter

Compiled by Our Staff From Dispatches EINDHOVEN, Netherlands - Philips Electronics NV, Europe's largest consumer-electronics company, said Thursday that its net profit from normal operations in the second quarter totaled 117 million guilders (\$60.78 millioo), up 48 percent from a year ago.

Net profit for the first half surged to 1.32 billion guilders from 241 million a year earlier, but this increase included a gain from the sale in May of Philips' 35 percent interest in Matsuincluding the one-time gain, oet profit was 220 million guilders in the balf.

Philips' stock rose to 34.80 guilders, up 1.60 from Wednes-day, and analysis said that by cutting costs in the recent recession, the company showed it had been patching the holes in

"It brings hopes that they may be able to return to a

healthy financial position without an issue of new shares," said Joost van Beek, an analyst with Mees Pierson.

Revenue for the second quarter fell 1.3 percent, to 13,49 billion guilders, and the company cited bad exchange rates.
Dudley Eustace, Philips' fi-

nance director, warned that business cooditions were still oght, particularly in Europe,

Losses oo consumer electronics continued to drain operating income but these losses shrank to 150 million guilders in the first half from 177 million a year carlier.

"When will the turnaround come? I think in the second half of next year rather than something that's going to happen at Christmas," Mr. Eustace said. In the meantime, Philips will

continue to tighten its belt. Mr. Eustace said Philips was likely to have cut a total of 10,000 to 15,000 johs in the course of this year. (Reuters, AP, Bloomberg)

### U.S. Job Market Remains Weak

Compiled by Our Staff From Disputches WASHINGTON - U.S. factory orders rebounded in June after three consecutive declines, the govermient reported Thursday, while applications for unemployment benefits showed the largest drop in

But analysts cautioned that nei-ther report indicated that the job market was strengthening.

Orders rose 2.6 percent to a sea-sonally adjusted \$254.8 billion, the best showing since December, but much of the gain was concentrated in the volatile aircraft industry, the Commerce Department said. Manufacturing has been one of the economy's weak spots this year, in part because consumer demand has

Economists, noting low business inventories and advances in auto reluctance to hire.

The Labor Department said the oumber of Americans filing first-time claims for jobless benefits fell sharply last week — by 60,000 to 336,000 — even though more flood victims showed up at unemploy-

It was the biggest one-week im-provement in a year but it followed

been spotty and in part because a week in which claims had bal-downturns abroad have led to few-looned temporarily because of a two-week retooling shutdown at

General Motors Corp. plants. A key barometer of future facsales this summer, said they expected an improvement. But they cantioned that productivity-minded companies would continue to show to show the summanies would continue to show the summanies would be summanies wo lowest level since September 1988. It was the fourth consecuove drop.

nate or even decline.

(AP. Bloomberg)

### **CURRENCY & INTEREST RATES**

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#### VW Seeks To Defuse **GM Feud**

FRANKFURT — A meet-ing hastily scheduled for Friday for Volkswagen AG's supervisory board looks set to take action to limit the damage done by four months of squabbling over what is known as the López affair.

Sources close to the compay said Thursday the session was likely to set up a management board post for public affairs.

But they said the board would support José Ignacio Ló-pez de Arriortúa, who has been accused of industrial espionage in connection with his recent move to VW from General Motors Corp.

VW's stock price rose 3.7 percent Thursday.

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Compiled by Our Staff From Dispatches NEW YORK — Worries about the economy pressured stock prices on Thursday while giving a boost to the bond market.

"The economy is sluggish, and there is no reason to think this trend is going to change," said Dick Adler, head of the investment committee of Eagle Asset Management The Dow Jooes industrial average lost 3.08 points, falling to

#### N.Y. Stocks

3.548.97, while declining issues on the New York Stock Exchange outnumbered advances by an 8-10-7 ratio. For the second straight day. over-the-counter stocks advanced despite falling prices on the New York and American exchanges. with the Nasdaq composite index up 1.71 points, to a record 715.50. While the stock market was sedate, boods rallied. The bellwether issue, the 30-year Treasury, rose 13/32, to 107 28/32, reducing its yield to 6.52 percent from 6.55 per-

One imperus for the rise in bonds was that President Bill Clinton's deficit-cutting budget package is expected to pass Congress this week. By trimming the deficit \$496 billion over five years, the plan would directly aid hond prices by reducing the government's borrowing needs. It would indirectly help bonds but hurt stocks, however, by depressing economic growth through its mix of tax increases and spending cuts.

"There isn't an investor alive who thinks higher taxes are good for the economy," said Thom Brown managing director of Rutherford, Brown & Catherwood Inc.

A big drop in gold prices Thurs-day underscored the deflationary outlook for the economy, although the fall was perceived largely as a reaction to speculative pressures. American Barrick Resources was

the most-active New York Stock Exchange issue, down 21/4 to 24% in reaction to falling gold prices. Motor Coach Industries, spun

off from Dial Corp., followed, falling to 124 from its \$13 offering price. Dial rose 4 to 36%. Sunshine Mining was third, down to 24, and Echo Bay Mines was

the most-active American Stock Exchange issue, down % to 12 in reaction to the slide in precious metals. Major airlines were lower on the big Board, following a late Wednes-day announcement that Delta Air Lines cut its fall domestic fares up to 35 percent. Delta dropped 1 to 49%.

AMR lost 1% to 63%, and UAL slid

2% to 142. The Dow transportation average was down 19.88, to 1.592.87. Intel was the most-active overthe-counter issue, up % to 55%. It settled a patent suit with Cyrix Corp., which rose 2% to 28%.

Microsoft followed up 1% to 744. It said it created a prototype operating system for interactive

television. (UP1. Bloomberg, Knight-Ridder, AP)

#### FRANC: Paris's Reserves Depleted

#### Continued from Page 11

currency crises in the past 12 months, in which it spent about 160

billion francs.

Dealers said Thursday that the Bank of France had started rebuilding its reserves, a process that

iovolves selling francs. So far, though, it has declined to take advantage of its relative freedom from exchange-rate constraints to cut interest rates - a

#### Foreign Exchange

move that could belp battle its rising unemployment rate.

Analysts say the bank is holding money to buffer the franc against its own sales of the currency and keep alive the idea of franc-mark "convergence," a central plank of French economic policy. Some speculated that it may also

he holding back so as not to further enrich currency traders, who had borrowed heavily to bet on a devaluation of the franc.

France beld its key interest rate steady Thursday, refusing to use

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**WORLD STOCK MARKETS** 

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tender, the Bank of France lent funds to commercial banks at an unchanged rate of 6.75 percent. The lack of rate cuts so far has helped the franc recover from its initial 2.5 percent slump against the mark and move closer to its former floor of 3.4305 francs to the mark. It ended Thursday in Europe at

3.4670 to the mark. Mark-Buying Halts Dollar The dollar was slightly higher gainst most European currencies Thursday, news ageocies reported from New York, The currency was

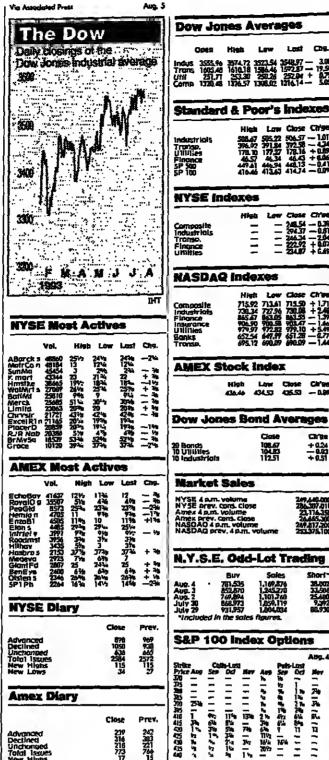
weaker against the yen. The dollar reportedly fell back when European central banks began selling dollars for marks, to recover mark reserves used up during last week's currency turmoil.

Traders said the market contin-

ued to look toward Friday's report on U.S. employment in July for its next reading on the health of the economy and the future course of

The dollar rose to 1.7117 DM

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### **Output Data Dent Oil Price**

**NASDAQ Diary** 

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### **Spot Commodities** 723.00 724.00 724.00 727.00 738.00 737.00 141.50 142.00 0 31 V2 9-10 8-17 Q 30 9-10 8-16 Q 16 14 A30 8-26 STOCK SPC 8-37 8-17 STOCK-SPLIT LONG GILT (LIFFE) Source: UPI, Industrials Low Last Settle 197.90 197.50 + 0.25 197.50 197.57 Unch. 161.75 14.79 Unch. 164.00 Unch. 164.00 Unch. 167.50 167.57 — 0.50 167.57 167.57 — 1.50 167.57 167.57 — 1.50 167.57 167.57 — 1.50 167.57 167.57 — 1.50 To Our Readers

Stock Indexes

NASDAQ stock prices and closing NYSE prices were not available for this edition because of technical problems. We regret the inconve-

### Northwest Air and Airbus in Accord

MINNEAPOLIS (AP) - Northwest Airlines has cleared up a disagreement with Airbus industrie and got over another hurdle on the road lowerd rescheduling \$1.5 billion in debt payments.

A discount history Manhanata hands and the formula in the first hands and the formula in the first hands and the first hands are the first hands and the first hands are the first hands and the first hands are the first han

A dispute between Northwest's banks and the European consortium had jeopardized the rescheduling and threatened to unravel an agreement between Northwest and its unions. But an Airbus spokeswoman, Sandy Smith, disclosed that the dispute had been resolved Tuesday sight Smith, disclosed that the dispute had been resolved Tuesday night. She declined to elaborate. A bond-market analyst, Phil Brannon of Mabon Securities, said the dispute involved collateral for an Airbus loan.

### W.R. Grace Confirms 'Import Alert'

NEW YORK (Knight-Ridder) — W.R. Grace & Co. confirmed Thursday that the Food and Drug Administration during the second quarter issued "import alerts" for hemodialysis bloodlines manufactured at its National Medical Care plant in Reynosa, Mexico, and hemodialyze made in its Dublin for Reynosa.

made in its Dublin facility.

Products subject to FDA import alerts may not enter the United States

Products subject to FDA import alerts may not enter the United States

until the FDA approves the facilities quality-assurance systems. Grace
until the FDA approves the facilities quality-assurance systems. Grace
until the FDA approves the facilities quality-assurance systems. Grace
until the FDA approves the FDA on a plan to partially lift the
restrictions on bloodime imports in the very near future."

### **Automakers in Supercomputer Pact** TRAVERSE CITY, Michigan (Bloomberg) — General Motors Corp.. Ford Motor Co. and Chrysler Corp. have signed research agreements to jointly develop supercomputers and lightweight metals under the suspices of the U.S. Council for Automotive Research. The agreement involves the development of high-performance parallel.

The agreement involves the development of high-performance parallel. The agreement involves the development of high-performance parallel computer systems to create a "clear competitive advantage" for the Computer States in automotive applications, said Don Walkowicz, executive director of the council, at a business conference sponsored by the University of Michigan. University of Michigan.

#### **Arthur Andersen Settles Thrift Cases**

WASHINGTON (Bloomberg) — The accounting firm Arthur Andersen & Co. has reached separate settlements with two government agenciance over its audits of failed savings-and-loan associations.

Arthur Andersen paid the Resolution Trust Corp. \$65 million to settle allegations that it was negligent in its audits of four failed thrifts. The firm agreed to pay an additional \$14 million in an amendment of an earlier settlement involving failed Lincoln Savings & Loan Association.

#### **Brown Assails Export-Control Pacts**

WASHINGTON (Knight-Ridder) — Export controls dating from the Cold War have become "a major impediment to doing business" and should be relaxed as much as possible, Commerce Secretary Ronald H. Brown said Thursday.

He told a House of Representatives subcommittee on economic policy and trade that such controls were government-imposed obstacles to American exporters that must be removed or reduced.

Court Accepts Wang Reorganization

LOWELL, Massachusetts (AFX) — Wang Laboratories Inc. said
Thursday that U.S. Bankruptcy Court Indge William Hillman had
approved Wang's reorganization plan and had scheduled a confirmation
hearing for Sept. 20. The company said this meant that it could emerge
from Chapter 11 bankruptcy protection as early as this autumn.

Judge Hillman ruled that the disclosure statement adequately explained Wang's future strategy.

#### For the Record

Sears, Roebuck's Sears Merchandise Group said it had agreed to sell its Eye Care Centers of America Inc. unit to Eye Care Holdings Inc. (UP1) Coca-Cola Co. began selling products in Jordan, as the Middle Eastern kingdom joined a growing list of Arab League nations to lift a 25-year boycott against the beverage company.

(Bloomberg)

LONDON — Figures released Thursday by the International Energy Agency showing higher OPEC production dented the oil market as sellers took advantage of low levels of business to push prices lower. In London, September futures for North Sea Brent Blend fell 19 cents from 1.7068 DM Wednesday, to S16.47 a barrel while crude oil on the New York Mercantile Exchange 1.5068 Swiss francs from 1.5037 for September delivery fell 25 cents to \$17.55.

The dottar rose to 1.7117 DM to S16.47 a barrel while crude oil on the New York Mercantile Exchange 1.5068 Swiss francs from 1.5037 for September delivery fell 25 cents to \$17.55.

The latest monthly report from the Paris-based agency showed that

and to 5.9358 French francs from 5.9123. It fell to 104.20 yen from 104.82 yen.

(AFX, Knight-Ridder, Reuters)

The latest monthly report from the Paris-based agency showed that production by the Organization of Petroleum Exporting Countries rose 250,000 barrels per day in July to 24.6 million barrels, about 1 million barrels over the group's self-imposed quota.

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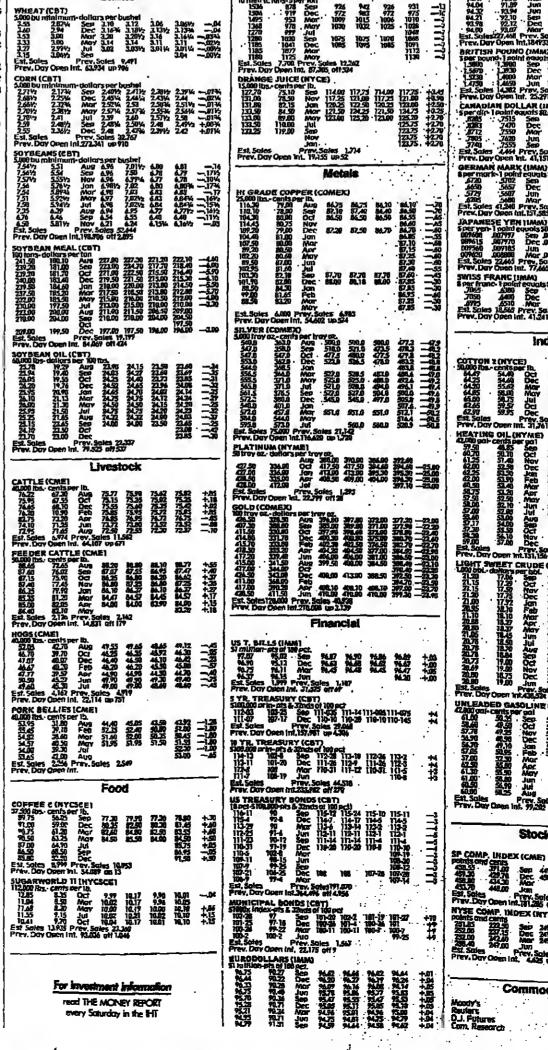
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#### **U.S. FUTURES**

Open High Low Close Chg.



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### <sup>©</sup>Spain Aims To Slash Deficit

Compiled by Our Staff From Dispatch MADRID - The Spanish government unveiled a package of ecooomic-austerity measures oo Thursday in a bid to slash the budget deficit without plunging the economy further into recession.

Public-sector wage rises will be kept below the inflation rate and new legislation will be enacted to keep spending within budgeted levels, Économy Minister Pedro

Solbes told Parliament.
The government will also make a special bid to clamp down on tax fraud and attack structural probicms, especially high prices for services and labor-market rigidities.

The 1994 budget, to be submitted to parliament next month, will aim for a delicit of 4.5 percent of gross domestic product, which Mr. Solbes said was compatible with a goal of reaching the 3 percent limit set out in the European Community's Maastricht treaty by 1996. The deficit has been estimated at up to 6.5 percent this year. Mr. Solbes said current spending

would be frozen next year and social spending would rise by 6 per-cent, maintaining its relative share of GDP. Soaring payments for un-employment benefits have been a prime cause of the rising deficit. Spanish unemployment, which is above 22 percent, is the highest in

Public investment is scheduled to increase by 2 percent next year.

Continued from Page 11

Tariffs and Trade. "It makes life

more complicated politically," said

John Lipsky, chief economist of

Salomon Brothers Inc. in New

The currency crisis dented the

credibility, and perhaps effective-

ness, of some European Communi

ty governments. For the United

States, such weakness poses a prob-

lem. As one official put it, "It's harder to get effective international

cooperation — which often requires squishing domestic political

oppositioo - when you have weak

Mr. Mullins said the weakness in

- the ERM could make it difficult to

avoid a return to 1970s-style infla-

tion in the future. "They do have a challenge ahead," he said of the

Europeans. "They're free to cut

rates, but they also have to worry

about inflation credibility."

partners to deal with."

### Sabena Outlook Darkens Pay Accord Is Urgent, EC Official Says

BRUSSELS - The chairman of a European Community committee on the air-transport industry said Thursday that Sabena might have "great difficulties" surviving if the Belgian airline did not agree quickly on a plan to cut wages and jobs.

Herman de Croo, chairman of a committee of

aviation specialists appointed by the EC Commission, said Sabena had no hope of a government bailout, with flag carriers of Greece, Ireland, France, Spain and others also in financial trouble and possibly ready to seek EC help.
At a news conference, Mr. de Croo, a former

Belgian transport minister, was scathing in his criticism of "so-called businessmen" on the Sa-bena board who he said had led the airline into its current troubles by excessive hiring.

"I think the personnel and the management of Sabena have to come very, very quickly to a posi-tive agreement," Mr. de Croo said. "If there is oo strong joiot solidarity between all of the people from Sabena, I am scared that there could be great difficulties."

After Sabena personnel oo Wednesday voted down a rescue plan that called for pay cuts of as much as 15 percent, the airline's president, Pierre Godfroid, tendered his resignation at a board meeting, then agreed to the board's request to suspend his decision for two weeks.

Mr. de Croo said Sabena had recruited more than 3,000 employees in the late 1980s and early 1990s, oullifying efforts in which he was involved as transport minister to cut employment by 1,250.

Now, he said of the new employees, "almost all will have to be cut."

The committee headed by Mr. de Croo is to report this year oo ways to help the industry weather its current financial difficulties and meet subsequent challenges. He has said he expects the committee to recommend more mergers in the European airline industry.

### **Barclays Earnings Surge Sixfold**

Compiled by Our Staff From Dispatches
LONDON — Barclays PLC said Thursday that its first-half pretax profit increased sixfold, citing a re-turn to profit in its British banking wing, a stronger performance in investment banking and a cut in bad-

Pretax profit surged to £335 million (\$502 million), from £51 million a year earlier. Bad-debt provisions fell to £997 million from £1.048 billion, while currency-dealing profits at the group's BZW investment-banking arm more than doubled, to £384 million from

Some U.S. officials said they saw curreccies would presumably

This is good news on the Uru- setts Institute of Technology who is

guay Round," said C. Fred Berg- an advocate of loosening exchange sten, director of the Institute for rates.

some pickup in growth and hlunt a material monetary-policy impact.

protectionist sentiment." In the At the margin, though, you'd grant

past, be said, when Europeans' ef-forts at cooperation have run aground on one froot, they tended Indeed, 30-year bonds on Thurs-

to intensify their efforts to work day afternoon were yielding 6.525

Tuesday.

more to a drop in bad-debt charges and soaring trading income than to growth in the core retailbanking business.

Buxton, said provisions for bad and doubtful debts were on a downward trend as the British economy moved into what he termed a relatively slow recovery. There was a write-off on Barclays' operations in the United States of £285 million. This followed a review of the bank's U.S. operations carried out last autumn.

### Shell's Earnings **Disappoint Market But BP Posts Gains**

disappointed the market Thursday with reduced net income but British Petroleum Co. pleased investors by turning loss into profit.

As they unveiled their secondquarter earnings, both of the oil giants said conditions in the petrochemicals business were depressed and likely to remain so. Both also predicted a modest recovery in oil prices during the second half of the year as demand gradually improved.

"Although a modest recovery of prices might be expected as demand increases in the second half of the year, the market is likely to remain volatile," said Shell. Shell's shares dipped when it re-

vealed a second-quarter net income of £575 million (\$864 million), down 6 percent on the same period of 1992 due to currency losses and heavy restructuring charges in its cals division

But BP stock rose on news the company had posted a secondquarter profit, on a historic-cost basis, of £182 million, turning around a £650 million loss in the

same period of 1992. After the figures are adjusted for was a £261 million profit, up from an £812 million loss a year earlier.

Compiled by Our Staff From Dispatches

Only BP declared a dividend oo

LONDON — Royal Dutch/Shell Thursday, maintaining a flat 2.1 pence per share quarterly payout, Royal Dutch/Shell will set its interim dividend on Sept. 9.

"Of the two, BP lived up to expectations and Shell didn't," said Alan Marshall, oil-industry analyst at Swiss Bank Corp.

BP shares closed at £3.05, up 2 pence, while Shell closed at £6.33, off 10 pence.

"Over the past year we have shown consistent improvement in the right direction with our trading results," the chief executive of BP group, David Simon, said at a news conference. BP's figures were mainly the result of continuing cost improvements, and the company is over "the worst of times as we see it," Mr. Simon said.

Royal Dutch/Shell, which groups Royal Dutch Petroleum Co. and Shell Transport & Trading Co. on a 60-40 basis, said currency movements and restructuriog charges spoiled what had otherwise been a good result.

"If you take the restructuring charges out and the corporate exchanges losses it was a very strong quarter," a Shell spokesman said. Analysts were impressed by BP's

achievement in overcoming the impact of weaker demand for oil, gas and chemicals by cost savings and better marketing. (Renters, AFX)

commissioner, said if the corrent

"it is in my view at least as likely

that countries of the EC for the

most part will move towards accel-

erated monetary union than that

Graham Bishop of Salomon

The EC Commission is to meet

nomic and monetary cooperation

alive following the virtual suspen-

sion of the exchange-rate mecha-

nism, the Associated Press report-

Brothers Inc. in London agreed,

adding, "My feeling is that it will

they give the whole idea up."

be sooner rather than later."

### Investor's Europe **CAC-40** Total Superior Superi Frankfort FAP 72146 25.02 0.67 SERVICE (2017) (23)(79 40.09 SERVICE (2017) (23)(79 40.09 SERVICE (2017) (23)(79 40.09

#### Very briefly:

EC unemployment rose to 10.6 percent in June from 10.5 percent in May, continuing an 18-month increase. It was 9.4 percent in June 1992. · Credit Assicole named Lucien Douroux managing director, succeeding Philippe Jaffré, who will become chairman of Elf Aquitaine.

• Adam Opel AG raised its share of the European car market to 12.3 percent in the first half, from 11.9 percent a year earlier. Its parent, General Motors Corp., operating under the Vauxhall name in Britain, raised its share in Western Europe to 12.9 percent from 12.4 percent. • Western German consumer prices rose 0.2 percent in July from Mana and 4.3 percent from July 1992, the Federal Statistics Office said. In June

the 12-month inflation figure was 4.2 percent. • Schering AG said first-half profit rose 3 percent from a year earlier to 185 million Deutsche marks (\$108.3 million), but sales fell 2 percent to 2.82 billion DM. The pharmaceutical concern forecast full-year process similar to the 262 million DM it made last year.

version of the ERM does not work • British Telecommunications PLC and MCI Communications Comnamed Chris Earnshaw chief executive of their joint-venture company, formed to offer telecommunications services to large corporations.

### Virgin Protests Sunday Ban

Bloomberg Business News

PARIS - Virgin Group PLC threatened Thursday to freeze its ambitious French expansion plans if the government refused to lift a ban on Sunday opening for its flag-ship store on the Champs-Elysées.

The Virgin Megastore has been mission also plans to study how to allowed to open on Sundays for the get 12 EC members back on the past year on a trial basis. But Paris path to the a single currency and anthorities reimposed the ban last central bank, cornerstones of the month, saying the store was not sell-Maastricht treaty on economic and ing primarily to tourists on Sundays. If the ban is not lifted, Virgin

said it would freeze plans to 26 French stores in addition : ... four current outlets.

Virgin, which has up to a fifth of its sales on Sundays, ignored the rating and was saed by two unit in the communist-led General Lab a Confederation, known by its instant acronym CGT, and the Dennament. Labor Federation, or CFDT.

Additionally, the fine had neen 250,000 francs (\$42,348) for each of the last two Sundays, but a French court this week ordered it raised to 4 million francs for future violations.

bush, an economist at Massachu-

Mr. Mulins was more conserva-

tive, saying: "It's not likely to have

percent, just above the record clos-

ing low of 6.52 percent reached

U.S. vacationers could get a bit

The bank was the fourth of Britain's big four to report sharply higher earnings for the half, owing

tween married partners, not a basic

threat to European unity. Opti-

mists said the turmoil could actual-

ly make it easier for the United

International Economics and a for-

mer trade negotiator, "It'll provide

aground on one froot, they tended

There is little disagreement that

the economic effect, even if mod-

est, is likely to be positive. If

sign a trade treaty.

together on another.

States to persuade Europeans to

Barclays' chairman and chief executive, Andrew

Assets besides BZW and banking in the United States earlier, while BP's equivalent figure "may eventually be sold," Mr. Buxton said. (Reuters,

#### BLESSING: What's Bad for ERM Is Good For U.S. MONEY: Benelux Countries Move Toward Germany

the currency crisis as a spat be- weaken against the dollar. The would consist of Germany, France, slightly stronger dollar could help keep U.S. interest rates low by re-Belgium, the Netherlands and Lux-embourg or, failing that, France ducing expectations of inflation. and Germany alone because of their political links. "European rate cuts will push up the dollar," said Rudiger Dorn-

Like Belgium, France too has cooloooded pundits since the weekend ERM debacle by failing to reduce interest rates to boost its flagging ecocomy, restating instead the government's commitment to

Economists and even a member

franc fort.

of the EC Commission predicted that because the crisis has revealed the ERM to be incapable of dealing with the \$1 trillion a day washing across money markets, there could still be a fairly quick move by some countries to join the Dutch and Germans in a form of currency

Sir Leon Brittan, the EC trade Friday to discuss ways to keep eco-

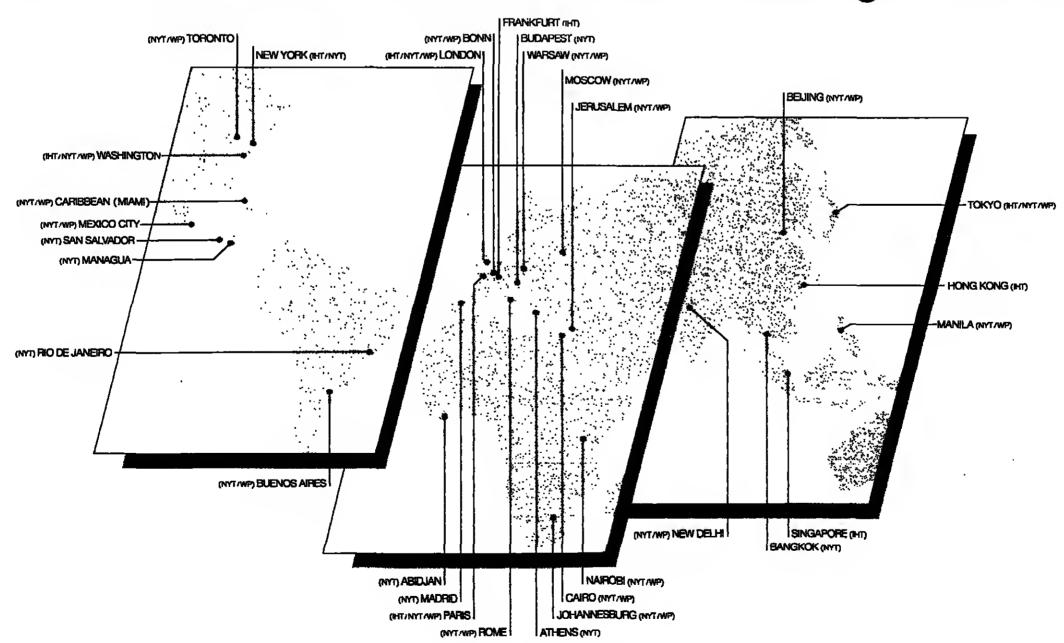
### LVMH to Buy Publisher

nessy Louis Vuitton SA, the luxurygoods conglomerate, plans to take control of the French press concern LVMH would inject 110 million France, and especially Germany, of a break, too, from last week's Desfosses International, which francs (\$19 million) in cash after an reduce interest rates, European European mooetary fermeot, owns among other titles the business extraordinary general meeting.

#### dailies La Tribune Desfosses and PARIS — LVMH Moët Hen l'Agefi, Desfosses said Thursday.

### In a special meeting, the com-

### The World's Most Extensive News-Gathering Network.



The International Herald Tribune maintains its own news bureaus in eight key cities and also benefits from the unparalleled correspondent networks of its two parent newspapers, The New York Times and The Washington Post, America's two most influential dailies. And, of course, we subscribe to the major wire services as well.

The product of these unmatched resources is distilled each

day by a team of some forty expert editors to bring our readers the most compact yet comprehensive package of news and opinion, available anywhere.



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Costs will become a more imporput their money overseas at an in-creasing rate. Although only 22.5 percent of trading in ADRs last year was by individual investors, the public is entering foreign markets in droves through mutual funds. International stock funds took in 12 Mooth Stock Div Yid Pif 180s High 

ADRs: Some Investors Hope to See Costs Reduced as the Market Expands

Continued from Page 11

As Lewis mentioned, but that depositary banks must cover high fixed costs.

As a Fund has more than doubled in assets since Jan. 1.

ADR group at Citiates they distribute. They have the ADR group at Citiates they distribute. They have the position of the year, the Investment Company Institute said last week. T. Rowe Price's Asia Fund has more than doubled in assets since Jan. 1.

And They have the Market Expands who runs the ADR group at Citiates they distribute. How will that sit with regulators, rector, of the ADR group at J.P. rector, of the ADR group at J.

doubled in assets since Jan. 1. Such robust activity no doubt tant issue as American investors helped Morgan Stanley make the put their money overseas at an increasing rate. Although only 22.5 tive international business lines to include the servicing of ADRs. The competition admits to at least mild discomfort. "I would not underestimate

Morgan Stanley. We have great re-spect for them," said David Boyle.

But the entrenched players also point out that the presence of an investment bank in the depository

business could lead to problems.

Depositaries are in a position to garner all sorts of useful inside information, members of the old guard whisper, such as precisely who is buying or selling the shares

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whose certificates they distribute.
How will that sit with regulators, the issuing companies and the broker-dealers who compete with Morgan Stanley, they ask.
And what of those coveted situations in which depositaries get retions in which depositaries get re-

ferrals from the investment banks who advise foreign companies on their public offerings? Veteran de-positaries argue that Morgan Stan-ley, a formidable investment-banking competitor, would never get such referrals from firms like Goldman Sachs or First Boston.

Temporary	Secret	Dec	Vid	PE	1009	High		
High	Law	Secret	Dec	Vid	PE	1009	High	
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146	1204	Westfaller	1,20	11	13	134		
147	147	Westfaller	1,20	11	13	134		
147	147	Westfaller	1,20	13	13	13		
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Tokyo

### Japan Seeks Curbs on U.S. Airlines

By Richard M. Weintraub

Withligen Past Service
WASHINGTON — Japan opened a crucial menud of talks on the intere of avance. Boks with the United States by seeking limits on content rights of U.S. air carriers, accordg to sources familiar with the talks.

Although air travel was not part of the U.S.panese "framework" agreement reached last month during the Group of Seven summit, meeting in Tokyo, U.S. officials said Japan's postere in the talks this week conflicted with principles of open trade set in talks between President Bill Clinton and Kiichi Miyazawa, whose government resigned Thursday.

Despite Japan's widely publicized opposition to setting targets or goals for trade, one U.S. official said that in the air-traffic talks that began Tuesday at the State Department, Tokyo was calling for limits on the number of thights or passengers to be allocated to American carriers at the airport that is scheduled to

open at Osaka next year.

Japanese officials also said they wanted to eview the overall air agreement between the

Japanese airlines' share of the traffic between the two countries has phumneted to 30 percent, with newly aggressive U.S. carriers—especially Northwest Airlines and United

European countries also are trying to limit Asian battleground is particularly important

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The state of the s

Airlines — grabbing 70 percent. As 5 result, the Japanese earriers have been pressing their government to seek limits on competition and to curtail American carriers' right in pick and to contain American carried to between the up passengers in Japan on flights between the limited States and another Asian destination.

because it is a rapidly growing area and that is generally profitable for the airlines.

A U.S. official said, "we would be disap-

pointed if the strongly stated principles stated in general are not applied to s sector in which U.S. companies are unequivocally ahead."

Qantas Must Boost Profit

company is to be floated on the Australian stock exchange, although the Australian government decided last month to delay the sale until 1994-95 because of the slump **INERTIA:** 

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### Taiwan's Surplus Surges, Bolstered By Sales to China

TAIPEI - Taiwan's trade surplus io July tripled from a year earlier to 5722 million, the Finance

Ministry said Thursday. Ministry said I nursday.

The surge was fueled by strong sales 10 China and helped by a slight fall in the Taiwan dollar.

Exports rose 5.4 percent from a year earlier to \$7.26 billion, while imports fell 1.7 percent to \$6.54 billion, the ministry said.

The July figures went against the trend of the first half of the year, as aiwan's trade surplus for the first farwan's trace surplies for the resistance of the seven months declined 26.3 percent from a year earlier, to \$4.05 billion.

The U.S. dollar was quoted at 26.9475 Taiwan dollars Thursday, compared with 25,4050 dollars at

the start of 1993. "Our exports will continue rising later this year, as our products have become more competitive in the world market," an official at the

Board of Foreign Trade said. Taiwan's trade surplus with Hong Kong, the primary conduit for its booming iodirect trade with China, surged 29.7 percent to \$9.52 billion in the first seven months of the year. Taipei does not allow di-rect trade with China.

ensure the success of its planned 2

billion Australian dollar (\$1.37 billion) share offering, its chairman, Gary Pemberton, said Thursday.

Mr. Pemberton also said James

Strong, a Qantas board member and the former head of Australian

Airlines, which was merged with

Qantas last year, would become managing director of Qantas. Mr. Strong, 49, is to succeed John Ward, effective in late October.

British Airways bought 25 per-cent of Qantas for 665 million dol-

lars early this year. The rest of the

Gridlock in Japan

Continued from Page 1

said Jesper Koll, an economist at S.G. Warburg Securities. "Some

form of intervention is probably

going to be needed, but speedy im-plementation is unlikely."

One of the most important mea-

unent has signaled its

sures, a cut in income taxes, is among the most contentious. The

support for lower taxes, which

many economists say are essential to stimulate private consumption

and revitalize the economy. But

Morihiro Hosokawa, the leader of the seven-party coalition, has said

he favors lower income taxes only if

This puts his views to line with

those of the Ministry of Finance,

which believes that the tax base

needs to be broadened to prevent a

mushrooming of government debt

as Japan's population rapidly ages.

But it also puts Mr. Hosokawa at

odds with members of the Social

Democratic Party, who have been opposed to any tax increases and

who make up the single largest group within the coalition.

One hopeful area from the perspective of big business is deregula-

tion. Mr. Hosokawa has built a

reputation on opposing the author-

ity of bureaucrats centered in To-

kyo. And not being affiliated with

any "tribe" - or group of parlia-

mentarians associated with a par-

than previous prime ministers to

challenge Tokyo's mandarins, even

though members of his coalition

"If Mr. Hosokawa doesn't get on

with deregulation, it will mean he's a sissy," Mr. Nukazawa said.

According to local press reports, the next cabinet will be a fantastic

grouping of longume opposition

leaders and Liberal Democratic de-

fectors. In a development that is

almost unimaginable in Japan, the leader of the Social Democratic

Party, Sadao Yamahana, will be named minister of international

Tsutosno Hata of the Japan Re-

newal Party will be made deputy

members of the Clean Government

Party will be given the top posts in

tion, labor and environment. Socialist members may also get posts

in the Economic Planning Agency, the Management and Coordination Agency and the National Land Agency.

While cabinet members in Japan tend to be weak, with little individual influence, the next cabinet should, at least, prove more color-ful. "It's going to be mass confu-sion," said Cornelia Meyer, an ad-

viser in the Liberal Democratic Party. "The cabinet is a potential

prime minister and finance minis ter, a post he held last year. Several

ticular industry and its key bure crats - be appears better placed

may put up resistance.

trade and industry.

consumption taxes are raised.

For Share Sale, Chief Says

needs a significant rise in profit to with Australian Airlines

Compiled by Our Staff From Dispatches to the aviation industry and the SYDNEY - Qantas Airways need for Qantas to digest its merger

During the same period, Tai-wan's trade surplus with the United States, still its largest export mar-ket, shrank 19.2 percent to \$3.6 billion, and its trade deficit with Japan widened 16.2 percent to \$8.2

hillion. industrial products accounted for 96.1 percent of Taiwan's exports to July, while agricultural and industrial raw materials made up 70 percent of its imports.

Separately, Taiwan's govern-ment said it would revive a budget proposal to build a \$17 billion high-speed rail system that was blocked by the legislature last Officials said the cabinet would

submit the proposal next month along with a proposed regulation to encourage private investment in the system. Lawmakers had said the government could not afford

the project. Companies from France, Ger-

many and Japan were expected to bid for the project. Funding problems also prompt-ed the cabinet Thursday to scale down Taiwan's six-year infrastructure plan by 1.94 trillion Taiwan dollars, officials said. (Rewers, AFP, Bloomberg)

Mr. Pemberton said Mr. Strong's

most pressing tasks would be to

complete that merger and oversee a "quantum leap" to profit to ensure the success of the share sale.

Mr. Strong added that Qantas

would be "setting profit targets and working toward them" over the

next two years. He did not mention

30, 1992, helped by earnings from aircraft sales. But a spokesman said

state of the airline industry.

any specific figures.

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#### Very briefly:

Investor's Asia

The Japan Automobile Importers Association said sales of imported cars and trucks to Japan rose 11.2 percent in July from a year earlier, in 20,364

vehicles, but the increase was largely in Japanese models made overseas. Hyundai Construction Equipment Industrial Co. reached a tentative settlement with its workers, leaving three Hyundai group companies with labor disputes; the employees are in vote Saturday on a deal that includes a 4.7 percent pay increase, after earlier demanding a 15 percent raise.

 Vietnam said 12 members of the U.S. House Ways and Means Commit tee would visit the country Aug. 12 to Aug. 15 to study investment and trade prospects: oo Sept. 14, President Bill Clinton must decide between extending and ending America's trade embargo with Vietnam.

China established two courts for disputes related to copyrights and
other iotellectual-property rights; the Beijing Intermediate People's Court
Intellectual Property Rights Tribunal will hear most disputes, with appeals going to a tribunal attached to the Beijing High People's Court.

### **China Warns Again on Taxes**

BELIING - China's cabinet issued a circular declaring all unauthorized tax hreaks for foreign investors oull and void, Chinese

Central Television said Thursday. Qantas had a profit of 137 milion dollars to the year ended June The State Council circular, repeating a warning made earlier this week in the official newspaper China Daily, said preferential 12x rates its results for the 1993 financial year would fall well short of that figure because of the depressed granted by local governments overstepping their power would be re-scinded. Only centrally approved development zones should offer (AFX, AFP, Bloomberg)

such rates, the cabinet said, according to the official station. Last year, local governments raced with each other to attract

foreign investment following calls by the senior leader, Deng Xiaoping, to make the economy more accessible. Now government policy is focused on tighter control of fi-nancial flows, including a perceived hard-currency drain. lo the first half of this year, Chi-

na approved foreign tovestment commitments of \$58.8 billioo, up 300 percent from a year ago.

#### FIDELITY DISCOVERY FUND Société d'Investissement à Capital Variable

Kansallis House Place de l'Etoile L-1021 Luxembourg

#### NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Shareholders of FIDELITY DISCOVERY FUND, a société d'investissement à capital variable organised under the laws of the Grand Duchy of Luxembourg (the "Fund"), will be held at the registered office of the Fund, Kansallis House, Place de l'Etoile, Luxembourg, at 11:00 a.m. on August 26, 1993, specifically, but without limitation, for the following purposes:

1. Presentation of the Report of the Board of Directors.

2. Presentation of the Report of the Auditor.

Approval of the balance sheet and income statement for the fiscal year ended April 30, 1993. 4. Discharge of the Board of Directors and the Auditor. Election of six (6) Directors, specifically the re-election of Messrs. Edward C. Johnson 3d,

Barry R. J. Bateman, Charles T. M. Collis, Charles A. Fraser, Jean Hamilius and H. F. van den Hoven, being all of the present Directors. 6. Election of the Auditor, specifically the election of Coopers & Lybrand, Luxembourg. 7. Declaration of cash dividends on the Fund's Class A and Class B shares in respect of the

fiscal year ended April 30, 1993, and authorisation of the Board of Directors to declare further dividends in respect of fiscal year 1993 if necessary to enable the Fund to qualify for 'distributor" status under United Kingdom tax law. Proposal, recommended by the Board of Directors, to amend the fourth paragraph of Article 15 of the Fund's Articles of Incorporation to delete the specific limitations in the nature

of investment safeguards set forth therein and to substitute more general language, in order that all of the Fund's investment safeguards may be determined by the Board of Directors in its discretion, subject to the requirements of Luxembourg law and regulation. Copies of the fourth paragraph of Article 15 as proposed to be amended may be obtained from the Fund at its registered office in Luxembourg and are being mailed to all registered shareholders Proposal, recommended by the Board of Directors, to amend the Fund's Investment Management Agreement with Fidelity International Limited ("FIL") by adding a new Section 16

to specify the basis on which FIL, as Investment Manager, may delegate, with the Board's consent, Fil.'a responsibilities in respect of portfolio management for the Fund, and to amend Section 10 of the Agreement to state the responsibility of FIL for such delegee's actions pursuant to such delegation. Copies of Sections 10 and 16 as proposed to be amended may be obtained from the Fund at its registered office in Luxembourg and are being mailed to all registered shareholders with this Notice of Meeting. 10. Consideration of such other business as may properly come before the meeting.

Approval of items 1 through 7 of the agenda will require the affirmative vote of a majority of

the shares present or represented at the Meeting with no minimum oumber of shares present or represented in order for a quorum to be present. With respect to item 7, in order to approve the dividends, each class will vote separately its approval of the dividend to be paid on shares of that class; the affirmative vote of a majority of the shares of that class present or represented at the meeting will be required in addition to the affirmative vote of a majority of the combined classes present or represented at the meeting.

Approval of item 8 of the Agenda will require the affirmative vote of two-thirds (2/3) of the shares, acting as a single class, present or represented at the Meeting at which a majority of the outstanding shares of all classes, treated as a single class, must be present or represented; if a quorum is not present, then at the adjournment sessing of the Meeting, approval of item 8 shall require the affirmative vote of two-thirds (2/3) of the shares, acting as a single class, present or represented at the Meeting with no minimum number of shares present or represented for a quorum. Approval of item 9 of the Agenda, including at any adjourned session of the Meeting, will require to affirmative vote of a majority of the shares, acting as a single class, present or represented at the Meeting at which a majority of the outstanding shares of all classes, treated as a single class, are present or represented.

Subject to the limitations imposed by the Articles of Incorporation of the Fund with regard to ownership of either or both Class A and Class B shares which constitute in the aggregate more than three percent (3 %) of the outstanding shares of both classes, each share is entitled to one vote. A shareholder may act at any meeting by proxy.

Dated: July 22, 1993

BY ORDER OF THE BOARD OF DIRECTORS



### SPORTS

### German Women Seize More Gold In Europe Meet

SHEFFIELD, Eogland -Olympic champion Dagmar Hase championships, showed his comled a German one-two in the wom- petitive strength once again and en's 400 meters freestyle at the European swimming championships Khnykin of Ukraine was third in

Hase and Kerstin Kielgass seized control in the second half of the race after Olga Kirichenko, a 17- medley on Tuesday, retained a secyear-old Russian, had set a blister-

ng pace for the first 200. Hase pulled in front on the fifth length of the 50-meter pool and streiched away to win in 4 minutes. 10.47 seconds and grab Germany's eighth gold medal of the champion-

Kielgass, brouze medalist in the Olympic 200 meters freestyle, claimed the silver in 4:12.18, and defending champion Irene Dalby of Norway the bronze in 4:12.51.

Franziska van Almsick won her fourth gold medal of the championships when she powered Germany to victory in the women's 4x100 meters freestyle relay.

Van Almsick threatened the individual world 100 freestyle record with a superb first leg of 54.62 seconds and stayed on track for seven golds in the championships.

The German quartet of Van Almsick, Manuela Stellmach, Kerstin Kielgass and Daniela Hunger won in a championship record 3:41.69, nearly four seconds ahead of Sweden, which edged out Russia for the silver by 0.04 of a second.

Double Olympic champion Alexander Popov retained his Enropean 100 meters freestyle crown, sweeping through on the second length to win by a comfortable

Second behind Christian Troger of Germany at the turn, Popov surged past with unhurried ease to win in 49.15 seconds, outside the European record 48.93 he set in

ver medalist in the 1991 world

Krisztina Egerszegi of Hungary, who won the 400 meters individual ond European title in her collection in an exciting 100 meters backstroke contest.

Egerszegi, who turns 19 this month, had snatched the lead from fast-starting Sandra Völker by the end of the first length, but faced a big challenge down the return length by the German and Nina Zhivanevskaya, a 16-year-old Russian.

World and Olympic champion Egerszegi prevailed in 1:00.83, out-side the 1:00.31 world mark she set at the 1991 European champion-

ships in Athens. Zhivanevskaya took the silver in 1:01.16, and Yolker the bronze in

Vladimir Selkov avenged Olympic and world championship losses at the hands of Martin Lopez-Zubero with a bold win in the men's

200 meters backstroke. The Russian ended Lopez-Zubero's European reign by attacking from the start and establishing a lead that left the Spaniard bopelessly behind.

Selkov was more than a second inside world record pace at 100 meters, and although Lopez-Zu-bero fought back with his customary powerful finish, the Russian

had done enough to win. Silver medalist behind Lopez-Zubero at the Olympics and bronze medalist at the 1991 world championships. Selkov won in a championship record 1:58.09, with Lopez-Zubero second in 1:58.51, and Emanuele Merisi of Italy third

### Italy Hangs On to Lead After Boat Is Crippled

COWES, England — Italy held on to a narrow lead in the Admiral's Cup yachting competition Thursday, despite losing its top

Italy's 50-foot Mandrake collided with Promotion of the Netherlands at the first mark turn off Hayling Bay Italian skipper Francisco de Angelis accepted the blame after his

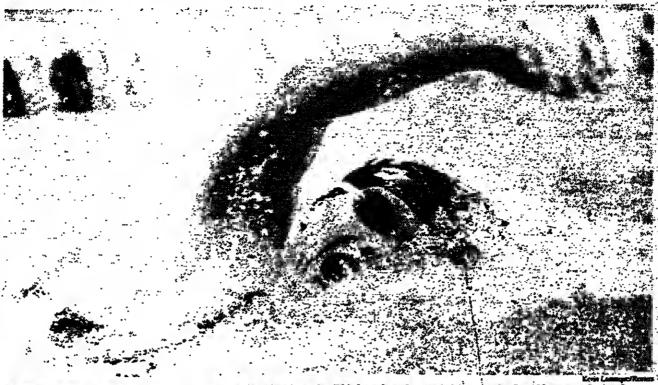
boat crashed into the port side of Bert Dolk's yacht. Both craft were doubtful for the 605-mile Fastnet Race, which starts Saturday. Mandrake ripped a 6-foot (2-meter) hole through the side and up into the deck of the Dutch yacht after failing to give way on the first turn of the 12-mile race.

The Dutch, sinking fast, managed to limp to safety on the beach at

Hayling Island.

Mandrake lost a 4-foot-long section from her stern. The crew managed a temporary repair, using a sail hastily pulled around the front to stop water pouring in, and sailed back to Cowes. No one was injured in the collision.

Australia took advantage of the confusion to temporarily take the overall lead, with Syd Fischer's 50-foot Ragamuffin winning the first of two 12-mile races. But in the second short race, Italy regained the lead as the one-ton Brava Q8 finished first in her class and the twoton Larouge was second.



Olympic champion Dagmar Hase of Germany pulled ahead on the fifth length and stayed there to win the 400 meters freestyle.

### At the Buick, Eyes on Norman

GRAND BLANC, Michigan -There's a sign in the locker room at Warwick Hills Country Club. It tells players there will be two buses leaving Sunday for Toledo. Ohio, the site of the PGA Championship

next week. You can be sure Greg Norman won't have to make the two-hour trip down Interstate 75 on a bus. there is no doubt that his mind

will be on Inverness while be is playing the Buick Open this week. Norman is part of what looks to be the strongest field in the 29-year history of this event. But they aren't flocking to Michigan simply to win a Buick. Most are using this tournament as a final

tuneup for the PGA. And that's why many eyes will be on Norman. It was seven years ago at Inver-ness Country Club that Bob Tway holed out from a bunker on the 72d hole to snatch the PGA title from Norman. It was a once-in-a-lifetime shot for Tway, who has only

two victories since that miracle. Norman, of course, held the lead going into the final round of all four majors that year. The last-second heartbreak has become as much a part of his trademark as the

shark on his shirt. "I know I'm going to go through a lot next week," Norman said before playing in a pro-am Wednesday. "Everyone is going to bring up seven years ago."
Norman had two wins in 1986,

another in 1988, two in 1990 when one in 1992. So far this year, he is third on the money list, with victories at Doral and the British Open — his first major title.
"You have to learn how to win,"

said Davis Love 3d. who is playing in his seventh Buick Open. "You definitely have to win a major to get your career to the next level." Love won the Tournament of Champions, the first tournament of the year, but hasn't won since.

Twelve of the top 16 money-winners are in the Buick Open. The only ones missing are leader Nick Price, Paul Azinger, U.S. Open champion Lee Janzen and Masters champion Bernhard Langer. Also entered are 13 of the top 16

"One of my jobs as captain is to get to know the players better." Watson said. "When we get into the competition, I want to be able to help them in any way I can." Watson said help comes in many

'I remember Jack Nicklaus had to fill up the car with all the 'aids'

on the Ryder Cup points list. Tom — Band-Aids and Rolaids," he Watson is captain of the Ryder said. "If players need a boost or a Cup team, and he is playing here kick in the behind, I'm there to give

This is the first Buick Open for Watson. But he said that had more to do with family than with pending PGA titles.

"Probably the main reason I never showed up here before was that my dad always drove Oldsmo-biles," Walson said



Greg Norman joins one of the strongest fields ever for the Buick Open, the final tune-up for the PGA Championship next week.

YOU NEVER TOLD ME

### Duffers, Read It And Weep

The odds on making a holo-in-one are 20,000-to-1 for the average golfer. But David Warren, a plumber in Mas-thews, North Carolina, does not pay them much heed.

Since taking up the game again last September after a 10-year bistus, Warren has

"Right before the third one. I told these gays I was playing with that I back't had a holein-one in time weeks," he said. They looked at me like I was cruzy. Then I knocked it up there, and it went in the

To me, it's like fishing. If you fish, you'll carels the fish. If you play golf, you'll get holes in one. It seems easy.

That's my attinude."
Well, if you're a duffer who runs into a string of lack like Warren's, you might want to religure your handicap in a

Not so first. A Temessee company that is hoping to bring instant handicap calculation to public courses con-tends that the United States unfair swing at its product.
International Golfers Club Inc. filed a lawsuit last month in U.S. District Court, charging that the USGA was trying to monopolize the mades on

handicapping
The USGA had earlier fried suit against the company. The International Golfer Club system would employ microchip technology on a "smart card." After complet-ing a round, golfers would put the card in a reader and enter their score, and a compute would calculate their new handicap instantly. (LAT, AP)

### In Vail Exile, Seles Cloaks Her Future

By Johnette Howard

Washington Past Service
VAIL, Colorado — It's been 13
recks since the tennis diva Monica Seles first arrived here amid heavy comity, swaddled in a blanket as she stepped off a private jet from Europe, musing a stab wound she had suffered two days earlier in a couriside attack in Hamburg.

Except for a brief news confer-ence soon stierward, then a statemens released by her management firm on July 8, Seles has not been

beard from since. But the townspeople of Vail have

This wilege balloons to a popula-tion of 25,000 during ski season. It is admittedly jaded from a steady un of such famous visitors as Dan Quayle, Gerald Ford and Ross Perot.

During the summer, however, the town returns into a tight-knit community of about 2,500, small enough for folks to notice the slowly recoperating terms star when she surfaces around town, and small enough for mail from around the world to find her even when the envelopes are addressed: Monica Seles, Hospital, Vail, Colorado.

A freshly graduated college stu-dent here speaks of a friend who was in rehab classes with Seles at the Steadman-Hawkins Clinic where she is undergoing treatment. A belihop at the resort hotel where Seles was staying until a few weeks ago says he can't speak for her frame of mind, but he did know her brother Zoltan spent most nights siceping on a sofa bed in her suite and usually accompanied her whenever she left the hotel

A clerk at the Raiph Lauren store in town tells of helping Seles try on a sweater and noticing how stab wound on her back.

A woman at the town's townist distanced themselves from that information desk speaks of taking guess, and the three-month annalier son into a local shoe store and versary of the attack passed at the bluring, "Look, there's Monica end of July without comment.

Seles!" The outburst caused Seles to bolt from the beach she was on, cup a hand over one side of her face and harry out the door.

She made it very clear she wanted to be left alone, said the wontan, exhaing what everyone else who has encountered Seles here says.

Since she was attacked April 30 by a German machinist, Glanther Parche, the list of interview requests for Seles has passed 150, and includes Barbara Walters and

Diane Sawyer. Tabloid reporters from as far away as England and Barope have visited this skiing town or danged monetary offers at Seles for an ex-clusive. At least one man was seen rifling through her garbage and another — a photographer for an American supermarket tabloid told her publicist that there is a \$50,000 bounty out for the first photograph of Seles hitting a tennis ball and orienaring

bell and grimscing. But nobody, save intimates, knows precisely how the 19 year old is recuperating emotionally of physically. Seles wants it this wa as she did during the other 1940 as see the current the control prolonged absences in her career.

None of her hundlers will say if Scles will play when the U.S. Open begins Aug. 30, although speculation that she is definitely out ap-

No one is saying how much emo-tional fallout Scies still suffers because of Parche, an obsessed fan of German star Steffi Graf who said he wanted to disable Seles but not fall her, so Graf could recapture the No. 1 ranking. After the French Open, which Seles had won the previous three years. Parche's luna-

tic wish came true. Nor will anyone say what is taking Seles so long to beal.

The physicians who treated he difficult it was for the termis star to in Hamburg estimated she would lift her left arm, an effect of the miss one to three months. But physicians in Vail almost immediat

### 'Extensive' Scar Tissue Listed in Lewis Autopsy

By Lawrence K. Altman nary findings of extensive scarring New York Times Service

BOSTON - As autopsy has shown that the heart of Reggie Lewis, the Boston Celtics captain who died last week while shooting. state's cinef medical examiner annonced Thursday.

However, the statement from Dr. Richard Evens said neither the cause of the seating nor the cause of death had been determined. Scarced being pisture can lead to otentially fatal heart skythms and

Many problems can lead to scaring of the heart. Among them are infections— often producing few symptoms— chemicals, previous heart attacks,

unological reschons, injuries

and drugs, both prescribed and il-The medical examiner's prelimi-

appear to contradict the public statements by Dr. Gilbert H. Mudge, his personal physician, who said Lewis had 'a normal athfete's heart with normal function." A consultant in the case said the

vague and he was not certain what the description of extensive scarrung meant · The medical examiner's state-

ment said that "preliminary drug sexcens showed no evidence of drugs of abuse" in the blood and other tissues tested in the autopsy.
It is possible, however, for heart to become scarred from provious use of drugs.

The medical examiner found the coronary arteries to be normal. If the arteries had been narrowed from deposits of fatty substances in a condition known as atherosclerosis, it could have led to heart attacks and scarring.

#### DENNIS THE MENACE





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#### **PEANUTS**

















### **CALVIN AND HOBBES**



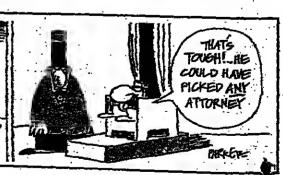






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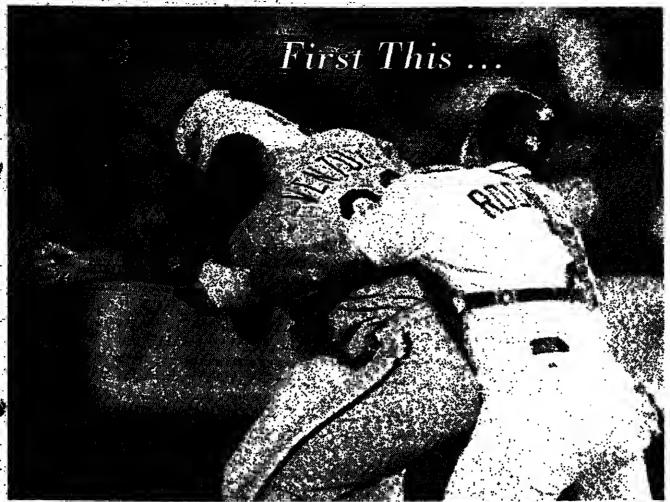
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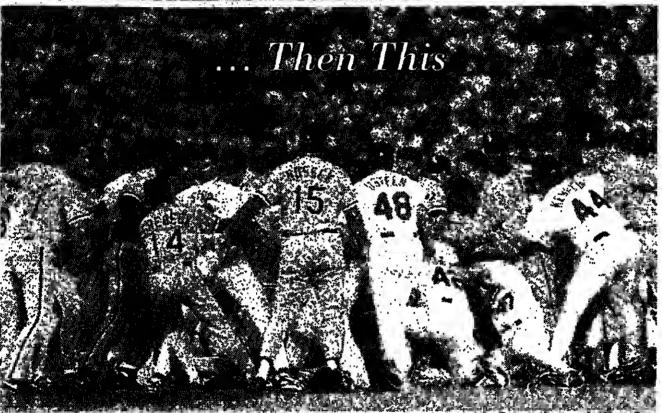
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### SPORTS BASEBALI





POW! - The Rangers' Nolan Ryan, top left, had a few answers for the White Sox's Robin Ventura, who charged to the mound after the 46-year-old Texas slinger bit him with a pitch. That was all it took for the benches to clear and centerfield to fill for a Texas-size show.

### Welcome to Europe: Tales of the NFL

.The Associated Press

The last time the Dallas Cowboys had a media day," they were in Los Angeles preparing for the Super Bowl. On Thursday, they were thousands of miles away in a foreign country getting ready for a meaningless pre-

Scason game — in London.
"It's a much smaller game, but it's the same type of atmosphere," said coach Jimmy Johnson. The Cowboys and Detroit Lions met the media at the Crystal Palace sports center to promote Sunday's American Bowl exhibition game at Wembley Stadium.

The teams each spent 30 minutes on the field posing for photographs and answering questions about jet lag, sightseeing and even football. Afterwards, they held their first

This is the eighth straight year that London has hosted an American Bowl game, and there are signs that local interest is fading.

see the team's too attractions. Quarterback Troy Aikman, the Super Bowl MVP, is recovering from back surgery, and Emmit Smith, the NFL's leading rusher, is holding out. "I think the fans will be a little disappoint-

ed, but you've still got Barry Sanders in the game," Johnson said. It was hard to detect any excitement

Thursday, however, Many of the players said they were still tired after the flight. Detroit wide receiver Brett Perriman, who

played here in 1990 with New Orleans, had said before the trip that he'd rather pay a \$10,000 fine than return to London because the food is terrible and the hamburgers at McDonald's taste like soybeans."

On Thursday, he changed his tune: "The food's good. I had three meals and enjoyed all

The first game in 1986, between Dallas and Chicago, drew almost 80,000 fans. Officials are hoping for 40,000 this year.

Even though the Cowboys are the reigning Super Bowl champions, fans will not get to

"Just where we're standing — all that hap-pened in this one area," said the veteran tight end, born near Nuremberg while his father served in the U.S. military in the 1960s. "Here we are practicing where Hitler made his big speech to his troops. At first you think it was a long time ago, but it wasn't that long."

His coach, Marv Levy, was impressed, too. But with more practical matters. "We've found the facilities to be excellent," Levy said. "All the field space, tremendously well-cared for."

Enough space that a U.S. Army belicopter was able to land on the field without disrupting either team's practice. The Army was also practicing for a parachute show Saturday that will be part of the game's festivities.

Levy and Vikings' head coach Dennis Green are trying to persevere over the unusual conditions that an overseas trip presents. They only oeeded reminding of last year's comedy of errors bore, when the Denver Broncos and Miami Dolphins played a sloppy game that included f0 turnovers.

"No matter what's going on, we always try to put on a good show," said Green.

### Ryan Stops the Foe on All Fronts

Robin Ventura couldn't hit Nolan Ryan with a punch, after which the rest of the White Sox couldn't hit him, either.

In a 5-2 Texas victory Wednesday night, the 26-year-old Ventura - after being his hy a fast ball charged the mound in the third inning and was punched out by the 46-year-old hurler. Ryan went on to pitch hitless baseball for as long as he stayed in the game.

"When someone comes out to the mound, they are coming out there with the intent to hurt you. and I'm not going to be passive about it," Ryan said later.

Ryan put a strong headlock on Ventura, the kind he uses on the ranch as branding time, and delivered six punches to the younger man's head and face.

"I've had a couple of confrontations in my career, but nothing of that oature," Ryan said. "I'm not a big believer in fights. Usually even the winner gets burt."

The overmatched Ventura fell to the ground in a scuffle, and finally, Ventura's teammates arrived to end the one-sided punishment. Ventura and manager Gene La-

"It was just self-preservation."

Greg Olson capped a four-run Atlanta rally in the eighth inning

with a three-run bomer to give the

Braves a 9-8 victory over the Phila-

The Braves have won 10 of their

last 12 games, but have gained little

ground on first-place San Francis-

Fred McGriff led off the eighth

Wednesday night in Atlanta with a

**NL ROUNDUP** 

single off reliever David West, and

David Justice walked. West struck

out Terry Pendleton and pinch-hit-ter Francisco Cabrera before giving

up an RBI single in Mark Lemke.

in Atlanta's 5-3 foss against the

Phillies on Tuesday, then hit his

Jay Howell earned the victory

with 11/2 scoreless innings and Greg

McMichael picked up his fourth

run in his last four games to belp the Phillies take a 5-3 lead,

Incaviglia's three-run homer in the fifth inning — his 18th — came off Tom Glavine. He also hit a

three-run bomer Tuesday night and

Philadelphia starter Curt Schil-

The Braves took a 3-2 lead on a

three-run homer by Justice, his

26th of the year, in the fourth in-

ning.
The Phillies scored two runs in

the third on Darren Daulton's two-

run double, added two more in the

sixth on Mariano Duncan's two-

run double and another in the sev-enth on incaviglia's double and a run-scoring single by rookie Kevin

Atlanta scored an uncarned run

in the fifth when Mark Lemke sin-

gled, took second on a sacrifice and

scored when Jeff Blauser's ground-

er went through Duncan's legs at

The Braves also scored in the

seventh on an RBI single by Deion

Padres 11, Giants 10: Tooy

Gwynn tied a club record with six

hits and pitcher Pedro Martinez

drove in the winning run with a

bases-loaded squeeze bunt as San Diego rallied to beat visiting San

It was also a big game for Barry Bonds, who scored five runs to the the Giants' club record set by Wil-lie Mays on two occasions. Bonds

also hit his major league-leading

also but his major league-leading
33d home run.

Cardinals 10, Marlins 2: Luis
Alicea hit a grand slam in a sloppy
six-run third inning as St. Louis
routed visiting Florida. The Marlins gave the Cards plenty of help
by walking six batters in the inning.
Bernard Gilkey, making his first
more start at first hase added a solo

ever start at first base, added a solo

home run, singled in a run and walked three times. The homer was

Gilkey's ffth of the season, and the

third grand slam of the seasoo put Cincinnao over visting Colorado,

fifth in his last nine games. Reds 9. Rockies: Chris Sabo's

Francisco in the f2th inning.

second for an error.

has 12 RBls in his last four games.

ling pitched 61/2 innings, giving up seven hits, five runs, four of them

earned.

Stocker.

Sanders.

save with a scoreless ninth. Pete Incaviglia hit his fifth bome

Olson, who hit a two-run homer

delphia Phillies.

co in the NL West.

him inside. You don't have time to think, you just react." Ryan added, "I have nothing

against Robin Ventura. The next time I face him, it won't even cross

I) was the first time a player had charged the mound against Ryan since San Diego's Dave Winfield did it in 1980 in Houston. "Dave threw a punch and then we wrestled to the ground," Ryan

AL ROUNDUP

said. "I decided then I wasn't going to take it the text time is happened I decided I would be the aggres-

The adrenalin-charged Ryan set down 12 of the oext 13 batters without allowing a hit to earn his 322d major league victory. He got relief help the last two innings from Craig Lefferts and Tom Henke. Ryan (3-3) allowed only three hits, struck out five and walked

"ft's oo secret that he was throwing at me and I have in do what I have to do in protect myself, and f don's care who it is," Ventura said. I'm all right. He gave me a couple of noogies, but that was about it."

mont were ejected from the game. Ventura said he could be sus-pended, but added: "I had to go after him. But I didn't want to be Ryan said. "I didn't expect that to out there alone again. He hit me happen. I was just trying to pitch with a fast ball. You don't go out

ced's two-run homer in the eighth inning in Chicago powered Pitts-burgh over Chicago in a game in

which both managers were ejected, With Pittsburgh trailing 5-4. Jay

Bell singled with one out and Mer-

ced followed with a homer off

Jeff Ballard, who retired the only

batter he faced, got the win. Denny

Neagle earned his first save, getting

Derrick May to hit into a game-

ending double play with runners oo

Expos 3, Mets 1: In Montreal,

Chris Nabholz pitched three-hit

ball for eight innings and Larry

Walker hit a home run top lift

Nabholz allowed just an infield

hit through five innings before

Charlie O'Brien led off the sixth

with a double to deep center field.

outs for his 24th save, allowing a

solo shot in the fourth off Sid Fernandez, gave the Expos a 3-0 lead.

Walker has 10 hits in his last 21 at-

Los Angeles snap an 1f-game los-

Mets Expect

To Be Back

New York Times Service
MONTREAL — The New
York Mets have informed

Vince Coleman, who is under

a felony charge of possessing

an explosive, that for oow he

was expected to rejoin the club two days after his arraign-

ment, expected to be beld Tuesday in Los Angeles.

ing any further action until the

outcome of the hearing is known," said the Mets' assis-

tant vice president, Gerry Hunsicker. "Once the out-come of the hearing is known,

we will act accordingly."
The Los Angeles County
District Attorney's office

charged Coleman with a felo-

oy Tuesday for igniting an ex-

piosive in a crowded Dodger Stadium parking lot. The im-pact of the explosive caused injury to three people, includ-

ing a 2-year-old girl.
Coleman, 31, left Mootreal
on Wednesday, presumably to
return to his home in Arizona.

Coleman's lawyer, Robert Shapiro, said he believed Cole-

man would be released on

\$5,000 bail, and that his case

would likely be turned over in

a probation office for review.

The review could take up in

four to six weeks.

"We do oot anticipate tak-

Coleman

John Wetteland got the last three

Walker's f4th homer, a two-out,

Shawn Boskie.

first and third.

Montreal

sending the Rockies to their 10th straight loss.

Pirates 6, Cubs 5: Orlando Mercame on April 14, 1992.

there on a breaking ball. Ryan should have been ejected, but it's seven innings. By the time he did, not going to happen because he's Nolan Ryan."

Toronto had woo the first two

Lamont said: "Robin did the games of the four-game series. right thing. If he thought Nolan was throwing at him, he oeeded to go out there instead of yelling at him. As it turned out, it was Ryan land, California, Mike Bordick was who was throwing all the punches. It all started when Ryan threw the

Texas manager Kevin Kennedy said Ventura picked on the stron-

gest Ranger.
"Nolan can handle himself,"
Kennedy said. "I'm not worried about him because he's in as good a shape as anyone on that field." Rafaef Palmeiro's 1wo-ruo homer ignited a five-run sixth inning for the Rangers against loser Alex Fernandez.

Palmeiro said Ventura's charging the mound was a foolish mis-

"It was a wake-up call for our team." Palmeiro said. "We were basically dead until then and it helped get us going. I never thought I'd ever see anyone charge the mound against Nolan Ryan. I bet we won't see it agaio."

Yankees 6, Blue Jays 2: In New York, the Yankees moved back within two earnes of first place behind the strong pitching of Scott

Tom Candiotti pitched seven in-

nings for his fourth straight win,

allowing one run and seven hits.

RBf single to Craig Biggio.

reported from Pittsburgh.

Slaught Renews

The right-hander did oot allow a **Olson Homers to Save Braves** 

Royals 3, Angels 2: fo Anaheim. California. David Cone ended a personal four-game winless streak on the road while again overcoming lackluster offensive support. The Royals have scored three runs or less in 17 of his 24 starts.

Dave Stewart took the loss for To-

hit by a pitch from Gene Nelson

with the bases loaded in the bottom of the ninth, forcing in the winning run as Oakland came back from a

"It's a painful way to do it, but

any way I can get a run across the plate I'll take it." Bordick said. Kel-

y Downs worked four scoreless in-

niogs in relief for the win. Red Sox 5, Minnesota 4: In Min-

neapolis, Aaron Sele cootinued to

be a major factor in Red Sox pen-nant hopes, Sele improved to 6-0 —

the most victories without a loss by

Boston pitcher since Dave Ferriss was 8-0 in 1945 and George Winter

went 7-0 in 1901 - by scattering

nine hits in 6% innings.
"He's obviously a good-looking

young pitcher with poise," Twins

Scott Erickson set a career high

for losses despite pitchiog the

Twins' first complete game of the

season. Minnesota used the hullpen

in 105 straight games, a major

manager Tom Kelly said of Sele.

4-2 deficit in the inning.

Jose Lind hit a de-breaking sin gle in the seventh inning off Phil ing streak at the Astrodome. The Dodgers' last victory as Houston Leftwich.

Orioles 8. Brewers 6: In Baltimore, Mark McLemore and Mike Devereaux homered and Arthur Rhodes survived a bout of wildness io his first start since May 9,

Jim Gott recorded the final three Rhodes, sidelined for oearly outs for his 19th save, giving up an three months with a knee injury, walked six of the first seven batters and threw 91 pitches in five innings. "I think I was ton byped up," Catcher Don Slaught of the he said, "I tried to throw the ball Pittsburgh Pirates signed a twotoo hard." year contract extension Wednes-

Cal Eldred was the losing pitcher for Milwaukee, which has lost sevday that is believed to be worth \$3,2 million, The Associated Press en of eight games and 16 of its last 22 to fall deeper into the AL East Slaught, 34, was in the fioal year cellar. Tigers 8, Indians 3: In Cleveland.

of a \$3.3 million contract. Last season, he batted .345 with Travis Fryman homered twice and four home runs and 37 RBIs in 87 Mike Moore won his third straight games. In 84 games this season, he start as Detroit got back to the .500 is batting .306 with seven home mark. runs and 42 RBJs.

Moore yielded three runs and "His cootinued fine play is indic- nine hits in his second complete arive of the veteran leadership and skills we feel are important to the future success of our ballclub, said Fryman homered off Jose Mesa

Cam Bonifay, the Pirates' senior in the third and hit a two-run shot, vice president and general manag- his 15th, off Matt Young in the

#### SIDELINES Dodgers 4, Astros 2: Dave Hansen's two-run borner in the seventh inning off Pete Harnisch helped

#### Tapie 'Broke'? He Was Just Kidding

PARIS (Reuters) - The chairman of the Marseille soccer team, Bernard Tapic, mired in controversy over alleged bribery by the European champions, said he was just joking when he told a French magazine he was broke.

The rags-to-riches businessman, who lavished millions of dollars on business takeovers and soccer stars, said he had told a reporter from the weekly Nouvel Observateur "what he clearly wanted in hear," but that it had been "just a joke."

#### Steinbrenner Accused of Funny Math

NEW YORK (UPI) — The Bronx borough president, Fernando Ferrer, took a verbal swing at Yankees owner George Steinbrenner for complaints about low stadium attendance, saying, "George is fudging the oumbers." Ferrer accused the Yankees owner of short-counting attendance in order to boost negotiations with state and city officials for a better deal, possibly a oew stadium. In recent weeks, Steinbrenner has threatened to move the team out of the Bronx if there continued to be low attendance.

Mets Manager Is Urged to Apologize

NEW YORK (UPI) — Mets manager Dallas Green has been taken to task by women's rights supporters for joking more than five weeks ago that he beats "the bell out" of his wife in relieve the strain of losing.

About a dozen representatives of various women's rights groups held a news conference Wednesday outside Madison Square Garden and urged Green to apologize for the remark.

#### Peterson, Ex-Florida State Coach, Dies

TALLAHASSEE, Florida (AP) - Bill Peterson, who coached Florida State to football promioence during the 1960s, died Thursday after a long battle with cancer. He was 73. Peterson also coached the Houstoo Oilers and at Rice. The Seminoles

were 62-41-f1 under Peterson between 1960 and 1970 and went to four bowl games. Petersoo's best year at Florida State was in 1964 when the Seminoles were 9-1-1 and beat archrival Florida for the first time. They capped the year with a 36-19 victory over Oklahoma in the Gator Bowl.

#### For the Record

Jennifer Capriati's hopes of winning the Mazda Tennis Classic, in Carisbad, California, for the third year in a row vanished Wednesday night when she dropped out because of a back injury.

The University of Alabama athletic director, Hootie Ingram, called "kiod of way out" claims by Gene Bartow, the former UCLA basketball coach now with Alabama-Birmingham, that he had believed his life was in danger had the NCAA probed too deeply into the activities of a top UCLA booster allegedly tied to the Mafia. Ingram also said he did not know anything about Bartow's 1991 request to the NCAA to investigate the basketball program at Alabama, UAB's rival.

(AP)

#### SCOREBOARD

BASESALL Major League Standings AMERICAN LEAGUE

was in the same of Wednesday's Line Scores 902 706 005-5 919 010 061-5 Continue:

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California (20), HR-Times, Patriorie (20), Konses City 289 689 189-3 16 0
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INTERNATIONAL PRIENDLY

#### EUROPEAN CHAMPIONSHIP

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CRICKET THIRQ TEST

THEO TEST

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Sri Lanka is inches: 35 all out
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England vs. Australia, First Day
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Waterst's 40-meters fractives 1.0 Degree Hose, Germany. 4 minutes 10.0 Seconds; 2. Kirstin Kleisess, Germany. 4:12.13; ; 3. Irene Dottov, Norway. 4:12.51; 4. Motim Nilsson, Suyden. 4:12.67; 5. Bedrics Coodo, Romoniol. 4:13.74; 6. Diga Kirinchenka, Russia, 4:16.19; 7. Kirsten Vileghuis, Holland, 4:17.14; 8. Sorah Hordcastis. Briain, 4:17.47; 8. Sorah Hordcastis. Briain, 4:17.47; 7. Kirsten Vileghuis, Holland, 4:17.14; 8. Sorah Hordcastis. Briain, 4:17.47; 7. Missia 180-meters treestyls (.Alexander Popov. Russia, 49.15 seconds; 3. Tammy Werner, Sweden. 49.71; 3. Povel Kinikin, Ukraine. 49.76; 4. Christian Troeger, Germany. 19.86; 5. Christophe Katioyas, France. 49.99; 6. Viadimir Preditin. Russia, 49.71; 7. Mike Friberts, Britische Katioyas, France. 49.99; 6. Viadimir Preditin. Russia, 49.71; 7. Mike Friberts, Britische Katioyas, France. 49.99; 6. Viadimir Preditin. Russia, 49.71; 7. Mike Friberts, Britische Bussiania. J. Kristina Eserstee), Hungory, 1:90.35; 2. Nind Zhivanevskaya, Russia, 1:81.16; 3. Sondra Valker, Germany. 1:03.95; 5. Derskay Viporoni, Italy, 1:30.35; 6. Anio Elchorst, Germany. 1:94.27; 7. Kotihy Osher, Britista, 1:20.49; 2. Martin Loez-Zubern. Socin, 1:38.51; 3. Emanuela Alertsi, Italy, 1:37.35; 4. Tames Deutsch, Hungary, 1:57.96; 5. Timo Weber, Germany, 2:00.28; 6. Bartiscs Sistans Social, 2:30.22; 7. Towid Holderboth, France, 2:01.24; 6. Lors Kotenko, Germany, 2:91.51. Woment 4 x 784-assers: Freestyle relay 1, Germany (Franzista van Almsick, Nonuclea Stellmach, Kersten Kleigiasa, Daniela

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### The Dinghy of State

By Russell Baker N EW YORK — Composed after deep immersion in news accounts of the clownish budget dispute in Washington;

Chairman Rostenkowski is from Chicago, which may explain why he may be indicted before it's all over, although of course he may not he. If he is it would be catastrophic for President Clinton's health-care program, or maybe it wouldn't, depending on what happened next.
In any event, President Clinton

doesn't actually have a health-care program yet and may never have one. That's because Senator David Boren is sworn to veto anything the president proposes, though both he and the president are Democrats, as is Vice President Albert Gore, who cast the tie-breaking vote that overturned Boren's last veto.

And what about Senattor Daniel Patrick Movnihan of New York, Democratic chairman of the powerful Senate Something-or-Other Committee? As Bismarck said of Talleyrand, so we too may say when pondering the Moyniban question, "What indeed about this great statesman?" 

Meanwhile the Republicans are pledged to vote unanimously against absolutely everything. After all when Senator Robert Dole. the brilliant Republican Friend of the Taxpayer, was asked if the Republicans would even vote unani-mously against Boren, did Dole not reply, "I refer you to what the Oracle of Delphi told Mithridates"?

Dole's tendency to give these oblique replies to blunt questions irritates young Clinton staffers whose musical tastes run to groups like Fleetwood Mac, They assume Dole is taunting them about their youth when he refers to old-timers like Mithridates and Oracle,

The real question, however, was the BTU tax. Real or not, alas, the question was vetoed by Boren who threatened to veto the tax as well, no matter what the House of Representatives did.

The Black Caucus met Ross Perot charged, Indecision ran rampant hut also sat leadenly on both sides of the Capitol. Clinton

Several more gigantic corpora-tions "downsized," adding tens of

thousands of loyal company men as well as loyal company women to the rolls of the loyal unemployed and

once again making a mockery of Clinton's campaign pledge to "grow the economy" and create more jobs. Henry Salomon of Kaufman & Brothers saw little to cheer in the GDP, but Heary Brothers of Salomon and Kaulman was immensely cheered by the latest figures, while

Salomon Kaufman of Henry.

Brothers & Co. said he hadn't tak-

en the GDP seriously since people quit calling it the GNP tt was unclear why the old-fash-ioned GNP had been renamed the GDP or what the renaming might mean for housing starts. With hundreds of thousands becoming unemployed every week because of the "downsizings," it was not clear either where the tycoons in charge of the "downsizing" expected to

products pouring out of their downsized" plants. Behind this nagging uncertainty was the heroie struggle of Senator Breaux Bummel, the Gasoline Pur-chaser's Friend, to hold any new gas tax to a maximum of 4.3 cents рег саг.

find well-paid employees to buy the

The entire Senate, Republicans excepted of course, closed ranks behind Bummel's gas-tax cap, with several members pointing to a study of restaurant prices showing Americans are now paying \$19 a plate for pasta as evidence that it would be cruel to make them pay

any tax at all on pasoline. Meanwhile, Clinton stumped again, which was one stumping too many for Rush Limbaugh. On his radio call-in show, Limbaugh suggested the president might be using a Japanese stump and urged the economically hard-hit American stump industry to investigate.

Boren has taken the first step toward vetoing the president's stump. This has put the Republicans in a quandary. Since they are pledged to vote unanimously against absolutely everything, they would have to vote against Boren's stump veto, which of course would amount to a vote

for the president's stump. Such are the agonizing dilemmas

that engage our statesmen. Pathet-ic, is it not? New York Times Service

### At Salzburg, More Words and Less Music

By John Rockwell New York Times Service

S ALZBURG. Austria — Even with Gerard Mortier's modernist reforms, the Salzburg Festival is still thought of as a celebration of music and opera. But what is perhaps Mortier's most striking reform has been little remarked in the non-German world. That was his decision, soon after his appointment in 1989, to revitalize spoken theater at the festival.

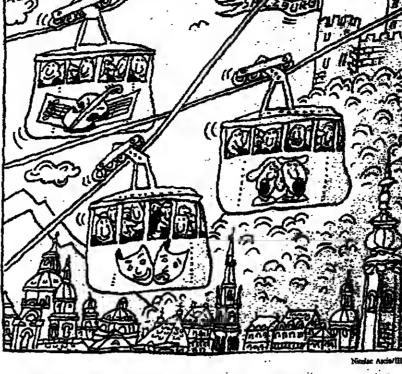
With the aid of Peter Stein, a German director, that ambition has been triumphantly achieved, in a way that even Mortier's many enemies are compelled to applaud. But since the performances are nearly all in German, they appeal neither to non-German tourists nor to critics unversed in the language and in Central European theatrical traditions.

This summer, the second of the Mortier-Stein era, Salzburg is offering a world premiere by Germany's best-known play-wright, Botho Strauss. Deborah Warner, a much-talked-about 34-year-old English director, has a new Shakespeare "Coriolanus" on view in the gigantic Felsenreitschule theater. In a co-production by the festival, the fringe Szene series and the Maison de la Culture in Bobigny, near Paris, Peter Sellars is presenting the first performances of an English-language version of Aeschylus's "Persians," with the ancient Persians partly transformed into Iraqis lamenting the American onslaught during the Gulf War.

In addition, there are revivals from last summer of Stein's production of Shake-speare's "Julius Caesar" and Andrzej Waj-da's staging of Stanisław Wyspianski's "Wesele" ("The Wedding Ceremony"). In an auxiliary space, two young German directors, Leander Haussmann and Jürgen Kruse, are directing two other Greek tragedies. And there is an ambitious series of

Long predating the new regime, there is also Hugo von Hofmannsthal's version of the medieval mystery play "Everyman." This is still being done in the Cathedral Square every summer, in a production that is a direct descendant of the one with which Max Reinhardt opened the first Salzburg Fesoval in 1920.

Reinhardt, the noted Austrian theater director, was driven into American exile by the Nazis and died in New York in 1943. Long before his exile, however, the Salzburg directorate had realized that music would attract a richer and more international audience than German-language drama. The general pattern until last summer was for one new production, one revival and "Evalong with a few readings. Increasing theater's role "was absolutely



my idea." Mortier affirmed the other day in his office. Originally he thought he would handle theatrical matters himself, but he soon realized the magnitude of the task and began a complex negotiation with the mercurial Stein, who ran the renowned Schau-

bothne theater company in West Berlin for 15 years until his withdrawal in 1985. The oegotiations were complex partly because Stein had to be persuaded to return to administration but also because means had to be found to meet his conditions. Stein would come to Salzburg only if the theater budget was sharply increase which Mornier was happy to attempt. In 1991, the theater underwriting was \$2.3 million. Mortier doubled that, getting half the increase from public sources and the other half from festival reserves. In 1990, 34,000 seats were available for spoken the

ater; this summer, there are 80,000. It is in theater that Mortier's long-cherished goal of transforming the Salzburg public has made the most headway. Audiences are flocking to theatrical events: attendance doubled from 1991 to 1992 and tripled from 1991 to 1993. This is almost exclusively a German and Austrian crowd, of course, many of them Salzburg residents or vacationers in the area. Tickets, with a top price of \$130, cost only 40

percent of those for the opera, and that

disparity means a more diverse, informal audience for theater.

Certainly the three new productions in the early part of this summer's lestival — which continues until Aug. 30 — were well worth seeing. Strauss's "Gleichgewicht" ("Equilibrium") is a typically wordy disquisition on the troubled nature of human relations, particularly human relations as symbolic of and distorted hy modern Ger-

The play finds its beroine, played by the redoubtable Jutta Lampe of the Schanbülme, confronting her husband upon his return from a year's Australian sabbatical. He seeks balance in Japanese archery, and manages to shoot his wife in the back. She may or may not have a rock-star lover and a punk netherlife. All of this is set in a Berlin in upheavel, lives knocked off center by reunification and by rapacious real-

estate development. Warner's "Coriolanus" got mixed reviews, and the negative ones were revelatory of the differences between English and German theater. Warner threw herself wholeheartedly into filling the Feisenreit-schule stage, which is nearly 150 feet wide. She used some 250 people for the extensive battle scenes, entire armics scaling walls and hacking away at each other. It was a far cry from her previous stab at the play

ny in London, with a cast of 12. Some reviewers complained that her bat-talions represented mere mindless speciacle. But the real trouble was that Warner steadfastly refused to offer interviewers an easily graspable concept, and some of them took vengeance by claiming that she had hardly directed the piece at all.

"I've been loath to talk about differences between English and German theater up to now," said a bemused Warner a few days after the premiere. "What upset these people was that I declared my hand by not having a conception. The director in the German tradition has an extraordinary position, which I am just beginning to understand. Actors and critics are used to dealing with someone who has an idea and imposes it. The notion that a director is an enabler, or a cipher, or a prompter, is foreign to them. They see it as wishy-washy and possibly feminine."

"Actually, I had no trouble with the actors, and I think the andiences are even

actors, and I think the andiences are even relieved by it." Warner said. "They appreciate the complexity, the play's not being limited by having lines painted through it." Certainly the audience at Monday's performance applauded heartly, particularly for Brimo Ganz in the title role and Hans Michael Rehberg as Menenius Agrippa. Sellars's "Persians," in an updating by Robert Auletta, will be seen at the Edinburgh Festival, the Los Angeles Festival, in Paris and in Berlin. It has not been booked into New York, where it would likely eninto New York, where it would likely en

counter the same resistance that greeted "The Death of Klinghoffer," mother Schlars meditation on the Middle East. At times this stark production's Saddam-like harangues grew monochromatic. Still, a full andience applauded the fine

acting by a cultural potpourri of a cast. Stein's contract is up for renegotiation next month, and he is mattering about the work load. Mortier thinks he'll almost surely seek a bigger budget. But it is hard to believe he will resign, so acclaimed has he been here and so much does he enjoy working with the cream of German-speaking actors.

One nagging problem, however, is what to do with "Everyman." A Salzburg insti-tution, it still functions, is still popular, but strikes Mortier and Stein as dated and stale. Stein would like to see the medieval material reworked by a contemporary playwright, but his first choice, the Austri-an Peter Handke, turned him down. He would like a guaranteed post-Reinhardtian theater master to restage it, but Giorgio Strehler also declined the opportunity.

"While I am here, Everyman will not die," Stein insisted. "But if I do not suc-ceed in this reform, I will always have the feeling that I did not succeed at all."

#### PEOPLE

#### Is the Holy Land Ready For Show by Madonna?

Madouna will take her sexually explosive act to Israel in October. following in the path of Elton John, Bob Dylan and Michael Jackson, each of whom has had collisions with the Israelis, And Madonna is world did
order to see this
Ravitz, a member of the Knesset from the United Torah Judaism
party, who was omiraged at the torah prospect of Madonna Hamiting her
body in front of young Israelis.

"deeply hurt" Sman
'e prima ball coming in for her share of wrath.
This is a holy land, the land of Scriptures, the land of the Bible.

47, the prima ballerina developed by the late choreographer George Belanchine, says she's been fired. But a New York City Ballet spokeswoman, Elizabeth Healy, says fired is not really a correct term. It's just a question of a budget issue," in explaining the dropping of Farrell from the ballet's payroll. Farrell had been receiving an annual salary of \$60,000 even though she stopped dancing after a hip replacement four years ago. She has also long had differences with the director, Peter Martins.

Princess Diana says she would just like some peace and quiet and wishes photographers would stop following her around. The princess. at a go-kart circuit with her sons. Prince William and Prince Harry, indicated she couldn't face taking a summer vacation. There seems his tle point in going away because I don't ever get a break. They follow me everywhere I go," she said.

Comic actors Whoopi Goldberg and Martin Lawrence and the Fox variety series "In Living Color" took two awards each at the first Scul Train Comedy Awards in San-ta Monica, California. The ailing comedian Richard Pryor joined executive producer Don Cornelius in presenting the top award, the Richard Pryor Entertainer of the Year Award, to the late-night show host Arsenio Hall

INTERNATIONAL CLASSIFIED Appears on Pages 4,5 & 8

#### WEATHER

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Forecast for Saturday through Monday, as provided by Accu-Weather.



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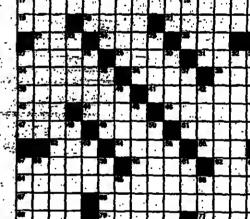
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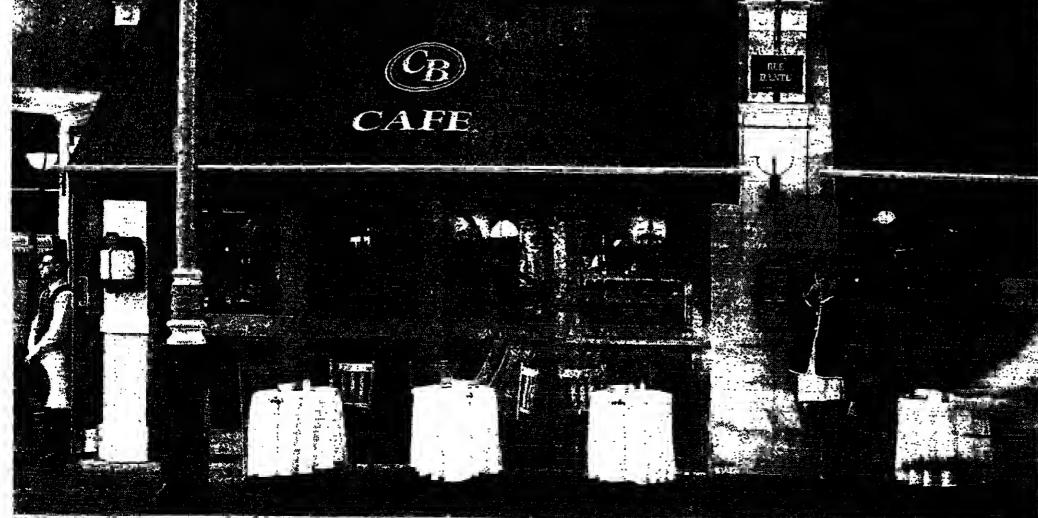
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